# **BILL ANALYSIS**

#### Senate Research Center

H.B. 1085 By: Maxey (Moncrief) Health & Human Services 5-5-97 Engrossed

## **DIGEST**

The Department of Human Services (department) was required by the 74th Legislature to develop an automated system by which nursing facilities would provide information on Medicaid reimbursements and patient care to the department. Reimbursement rates are currently adjusted every six months. Moving the department to a quarterly rate adjustment schedule will result in a reimbursement rate that more accurately reflects the level of care being provided by the facility. This bill will require nursing facilities to complete and submit the required information to the department at least quarterly for reimbursement.

#### PURPOSE

As proposed, H.B. 1085 requires nursing facilities to complete and submit certain information to the Department of Human Services at least quarterly for reimbursement.

#### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

#### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 242H, Health and Safety Code, as follows:

## SUBCHAPTER I. Redesignated from existing Subchapter H. AUTOMATED MEDICAID PATIENT CARE AND REIMBURSEMENT SYSTEM

Sec. 242.221. AUTOMATED SYSTEM FOR MEDICAID PATIENT CARE AND REIMBURSEMENT. Redesignated from existing Section 242.201. Requires the Texas Department of Human Services (department) to acquire and develop an automated system for providing reimbursements to nursing facilities, rather than nursing homes, under the state Medicaid program, subject to the availability of funds appropriated for that purpose. Requires the department to charge a fee to nursing facilities that do not receive their Medicaid reimbursements electronically. Requires the department to set the fee in an amount necessary to cover the costs of manually processing and sending the reimbursements.

Sec. 242.222. DATA USED BY SYSTEM. Makes conforming changes.

Sec. 242.223. FREQUENCY OF DATA SUBMISSION. Requires nursing facilities to complete and electronically submit the designated form to the department at least quarterly for reimbursement. Makes a conforming change.

Sec. 242.224. ELECTRONIC CLAIMS FOR REIMBURSEMENT. Makes conforming changes.

Sec. 242.225. DATE OF REIMBURSEMENT. Makes conforming and nonsubstantive changes.

Sec. 242.226. RULES. Makes a conforming change.

- SECTION 2. Effective date: September 1, 1997.
- SECTION 3. Emergency clause.