## **BILL ANALYSIS**

Senate Research Center 77R8806 T

H.B. 3043 By: Luna, Vilma (Truan) Health & Human Services 5/9/2001 Engrossed

## **DIGEST AND PURPOSE**

Hospital districts are designed to provide indigent care. In order to qualify for indigent care, an eligible resident must provide certain documentation to prove that income and resource requirements have been met. Hospital districts have experienced an increase in demand for and related costs of providing health care, as well as numerous fraudulent misrepresentations when processing applications for enrollment in the indigent health care program. Unlike county-funded indigent care programs, state law does not give hospital districts the authority to establish procedures to prevent and detect fraud and disqualify individuals from participating in the indigent care program as a result of fraud. H.B. 3043 authorizes hospital districts to establish a method to minimize, identify, and eliminate fraud in indigent health care programs.

## **RULEMAKING AUTHORITY**

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

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 61C, Health and Safety Code, by adding Section 61.066, as follows:

Sec. 61.066. PREVENTION AND DETECTION OF FRAUD. Authorizes a hospital district to adopt reasonable procedures for minimizing the opportunity for fraud, for establishing and maintaining methods for detecting and identifying situations in which a questions of fraud may exist, and for administrative hearings to be conducted on disqualifying persons in cases where fraud appears to exist. Requires procedures established by a hospital district for administrative hearings conducted under this section to provide for appropriate due process, including procedures for appeals.

Effective date: 90 days after adjournment.