

BILL ANALYSIS

Senate Research Center

S.B. 1767
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Health & Human Services
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Texas has one of the highest levels of uninsured people in the country. Many of these people have no access to healthcare other than emergency rooms. To increase the amount of indigent care offered by hospitals, certain for-profit hospitals that receive tax abatements will be required to provide a certain level of charity care and government-sponsored indigent health care in order to maintain their licenses. The tax-abatements are given in order that charity care be provided by the hospital. As proposed, S.B. 1767 ensures that a minimum level of such care is given.

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 Subchapter D, Chapter 311, Health & Safety Code, by adding Section 311.0435, as follows:

Sec. 311.0435. DUTY OF FOR-PROFIT HOSPITALS TO PROVIDE COMMUNITY BENEFITS. (a) Requires certain hospitals that receive any tax abatement from any political subdivision to provide charity care and government-sponsored indigent health care, in an amount that satisfies the requirements of Subsection (b), in order to maintain licensure. Requires a determination of the amount of charity care and government-sponsored indigent health care provided by a hospital to be based on the most recently completed and audited prior fiscal year of the hospital.

(b) Requires charity care to be provided in an amount equal to at least five percent of the hospital's net patient revenue, provided that government-sponsored indigent health care is provided in an amount equal to at least four percent of net patient revenue.

(c) Requires reductions in the amount of charity care and government-sponsored indigent health care provided by a hospital to be considered reasonable if the hospital, as a result of a natural or other disaster, is required substantially to curtail its operations.

(d) Requires a hospital's admissions policy to provide for the admission of financially indigent and medically indigent persons.

(e) Defines "political subdivision."

SECTION 2. Effective date: upon passage or September 1, 2005.