

BILL ANALYSIS

Senate Research Center
88R19921 MPF-F

C.S.S.B. 1155
By: Menéndez
Local Government
4/20/2023
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Around 10 years ago, Texas entered into the 1115 waiver program with the Center for Medicare Services, which requires a local match from counties or public hospital districts (PHDs) in order to fully participate in the program. This local match needs to be a certified public expenditure, and though counties could put down this amount in property taxes, this is difficult for rural and small counties. Ideally, counties would rather keep their property taxes low.

To solve this issue, counties without PHDs began local provider participation funds (LPPFs), as they had to raise money from private and nonprofit hospitals inside of their county. LPPFs are a method of finance for local governments to generate and collect local funding for programs such as the 1115 waiver.

In 2019, large counties in Texas, such as Bexar, Travis, and Harris realized that it would be beneficial to create LPPFs in order for private and nonprofit hospitals to be assessed with the fee and use it for the local match needed for the 1115 waiver program. Before this, University Health System (UHS) was putting up all of the public matches needed for hospitals in Bexar County. Therefore, UHS created its own LPPF under Health and Safety Code Chapter 298. Bexar County's LPPF now needs to be reauthorized, as it is set to expire at the end of this year.

S.B. 1155 would renew the Bexar County Hospital District LPPF until 2027.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 1155 amends current law relating to the continuation and operations of a health care provider participation program by the Bexar County Hospital District.

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 Section 298F.004, Health and Safety Code, as follows:

Sec. 298F.004. EXPIRATION. (a) Provides that the authority of the Bexar County Hospital District (district) to administer and operate a program under Chapter 298F (Bexar County Hospital District Health Care Provider Participation Program), subject to Section 298F.153(d) (relating to authorizing the district to only assess and collect a mandatory payment under this chapter if a waiver program, uniform rate enhancement, reimbursement, or other payment is available to nonpublic hospitals in the district), expires December 31, 2027, rather than December 31, 2023.

(b) Provides this chapter expires December 31, 2027, rather than December 31, 2023.

SECTION 2. Amends Subchapter D, Chapter 298F, Health and Safety Code, by adding Section 298F.154, as follows:

Sec. 298F.154. INTEREST AND PENALTIES. Authorizes the district to impose and collect interest and penalties on delinquent mandatory payments assessed under this chapter in any amount that does not exceed the maximum amount authorized for other delinquent payments owed to the district.

SECTION 3. Effective date: upon passage or September 1, 2023.