

## **BILL ANALYSIS**

Senate Research Center

S.B. 849  
By: Blanco  
Local Government  
5/23/2023  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Since 2013, the Texas Legislature has allowed local governments to establish and operate local provider participation funds (LPPFs). LPPFs are accounts to which local units of governments deposit mandatory payments from hospitals to use as an intergovernmental transfer (IGT) to the Health and Human Services Commission (HHSC). The non-federal share of all supplemental Medicaid payments in Texas comes from local governments and often through LPPF structures. The LPPF administered by the El Paso County University Medical Center serves a critical purpose for the community by ensuring that the appropriate amount of local funding is generated and collected for Texas Medicaid supplemental and directed payment programs in order to draw down necessary federal funding. Without legislative action, the program will expire on December 31, 2023, so renewal of the program is needed.

S.B. 849 amends the Health and Safety Code to postpone from December 31, 2023, to December 31, 2027, the expiration of the authority of the El Paso County Hospital District to administer and operate a health care provider participation program and the expiration of related statutory provisions. The bill authorizes the district to impose and collect interest and penalties on delinquent mandatory payments assessed under the program in any amount that does not exceed the maximum amount authorized for other delinquent payments owed to the district.

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

S.B. 849 amends current law relating to the continuation and operations of a health care provider participation program by the El Paso 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 298G.004, Health and Safety Code, as follows:

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

(b) Makes a conforming change to this subsection.

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

Sec. 298G.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.