

Allowing counties to create local provider participation funds

HB 651 by Springer (Kolkhorst)

Digest

HB 651 would have allowed a county not served by a hospital district or public hospital to administer a county health care provider participation program. The county could have collected annual mandatory payments from nonpublic hospitals in the county to provide the nonfederal share of a Medicaid supplemental payment program and certain other purposes. The mandatory payments would have been assessed on the net patient revenue of each nonpublic hospital.

The bill would have required each county that collected mandatory payments to create and deposit those payments in a local provider participation fund. The fund also would have included earnings of the fund and money received from the Health and Human Services Commission as a refund of an intergovernmental transfer from the county to the state to provide the nonfederal share of Medicaid supplemental payment program payments. The bill would have prohibited money in the local provider participation fund from being commingled with other county funds.

Deposited money in the fund could have been used only for:

- funding certain intergovernmental transfers from the county to the state to provide the nonfederal share of a Medicaid supplemental payment program and other Medicaid waiver programs or payments to certain Medicaid managed care organizations;
- paying indigent care costs;
- paying the county's administrative expenses for the county health care provider participation program; and
- making certain refunds to paying hospitals.

Governor's reason for veto

"I have signed House Bill 4289, which grants counties, cities, and hospital districts the authority to establish a health care provider participation program. In light of House Bill 4289, House Bill 651 is unnecessary because it sought to achieve the same purpose and similarly would grant authority to establish these programs, but only for certain counties. I am grateful to Representative Springer and Senator Kolkhorst for working to address this important issue."

Response

Neither **Rep. Drew Springer**, the bill's author, nor **Sen. Lois Kolkhorst**, the Senate sponsor, had a comment on the veto.

Notes

The HRO analysis of [HB 651](#) appeared in Part One of the April 9 *Daily Floor Report*.