

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1863  
By: Hinojosa  
Intergovernmental Relations  
4/26/2013  
Committee Report (Substituted)

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

The Nueces County Hospital District (district) participates in certain federally approved statewide Medicaid programs sponsored by the Health and Human Services Commission (HHSC), including the Medicaid Texas Health Care Transformation and Quality Improvement Program 1115 Waiver issued under Section 1115, Social Security Act (42 U.S.C. 1315) in December, 2011 (waiver). The waiver is predicated on the availability of intergovernmental transfers to the state for use as the nonfederal share of waiver payments.

Current state law applicable only to the district outlines how the district's funds may be used but does not specifically mention or limit the district's use of its funds to provide for intergovernmental transfers in support of the waiver or other similar Texas Medicaid programs. The district's statutory authority needs to be clear and unambiguous regarding the use of the district's funds to make intergovernmental transfers under the waiver and for other similar Texas Medicaid programs. This clarification and confirmation will facilitate the district's ability to carry out its functions under the waiver.

C.S.S.B. 1863 amends Section 281.094(b), Health and Safety Code, by adding Subsection (b)(2) to confirm and authorize the board of the district to use funds made available to the district from any source to, in addition to indigent health care, fund intergovernmental transfers from the district to the state for use as the nonfederal share of Medicaid supplemental payment program or waiver program payments for eligible healthcare providers located inside or outside the district's boundaries, including, but not limited to any payments available through a waiver granted under Section 1115, Social Security Act (42 U.S.C.1315) or other similar payment programs.

C.S.S.B. 1863 amends current law relating to use of district funds by the Nueces 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 281.094, Health and Safety Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Authorizes the board of the Nueces County Hospital District (district) to use funds made available to the district from any source to fund:

(1) indigent health care; and

(2) intergovernmental transfers from the district to the state for use as the nonfederal share of Medicaid supplemental payment program or waiver program payments for eligible healthcare providers located inside or outside the district's boundaries, including, but not limited to any payments available through a waiver granted under Section 1115, Social Security Act (42 U.S.C. 1315) or other similar payment programs, subject to the limitation prescribed by Subsection (c).

(c) Provides that neither the funds comprising an intergovernmental transfer described by Subsection (b)(2) nor any federal funds obtained from any such transfer is authorized to be used by the district or any entity to expand eligibility for medical assistance (Medicaid) under the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152).

SECTION 2. Effective date: upon passage or September 1, 2013.