BILL ANALYSIS

Senate Research Center
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H.B. 4289
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Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There is concern that previously implemented local provider participation funds (LPPFs) and other types of local intergovernmental transfer agreements may not meet the Centers for Medicaid and Medicare Services (CMS) rules and regulations for federal matching dollars. The non-federal share of all supplemental Medicaid payments in Texas come from local governments, and often through these structures.

H.B. 4289 would provide statewide authorization for local hospital districts, counties, and municipalities to administer health care provider participation programs and to create health care provider participation districts to administer such programs and better ensure compliance with CMS guidelines and rules for intergovernmental transfer agreements.

H.B. 4289 amends current law relating to the authority of certain local governments to create and operate health care provider participation programs.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the governing body of a local government in SECTION 1 (Sections 300.0052 and 300.0153, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Sections 300.0154 and 300A.0154, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the board of directors of certain hospital districts in SECTION 2 (Sections 300A.0053 and 300A.0153, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle D, Title 4, Health and Safety Code, by adding Chapter 300, as follows:

CHAPTER 300. HEALTH CARE PROVIDER PARTICIPATION PROGRAMS IN CERTAIN POLITICAL SUBDIVISIONS IN THIS STATE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 300.0001. PURPOSE. Sets forth the purpose of this chapter.

Sec. 300.0002. DEFINITIONS. Defines "institutional health care provider," "local government," and "paying hospital" and defines "program" as a health care provider participation program authorized by this chapter.

Sec. 300.0003. APPLICABILITY. Provides that this chapter applies only to:

(1) a hospital district that is not participating in a health care provider participation program authorized by another chapter of this subtitle (Hospital Districts); and

(2) a county or municipality that is not participating in a health care provider participation program authorized by another chapter of this subtitle and is not served by a hospital district or a public hospital.

Sec. 300.0004. LOCAL JURISDICTION HEALTH CARE PROVIDER PARTICIPATION PROGRAM; ORDER REQUIRED FOR PARTICIPATION. Authorizes the governing body of a local government to only adopt an order or ordinance authorizing that local government to participate in a health care provider participation program after an affirmative vote of the majority of the governing body.

SUBCHAPTER B. POWERS AND DUTIES OF GOVERNING BODY

Sec. 300.0051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY PAYMENT. Authorizes the governing body of a local government to require a mandatory payment authorized under this chapter by an institutional health care provider located in that hospital district, county, or municipality, as applicable, only in the manner provided by this chapter.

Sec. 300.0052. RULES AND PROCEDURES. Authorizes the governing body of a local government to adopt rules relating to the administration of the health care provider participation program in the local government, including collection of the mandatory payments, expenditures, audits, and any other administrative aspects of the program.

Sec. 300.0053. INSTITUTIONAL HEALTH CARE PROVIDER REPORTING. Requires the governing body of a local government, if the governing body authorizes the local government to participate in a program under this chapter, to require each institutional health care provider to submit to the local government a copy of any financial and utilization data required by and reported to the Department of State Health Services (DSHS) under Sections 311.032 (Department Administration of Hospital Reporting and Collection System) and 311.033 (Financial and Utilization Data Required) and any rules adopted by the executive commissioner of the Health and Human Services Commission (executive commissioner; HHSC) to implement those sections.

SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 300.0101. HEARING. (a) Requires the governing body of a local government, in each year that the governing body authorizes a program under this chapter, to hold a public hearing on the amounts of any mandatory payments that the governing body intends to require during the year and how the revenue derived from those payments is to be spent.

(b) Requires the governing body, not later than the fifth day before the date of the hearing required under Subsection (a), to publish notice of the hearing in a newspaper of general circulation in the hospital district, county, or municipality, as applicable, and provide written notice of the hearing to the chief operating officer of each institutional health care provider located in the hospital district, county, or municipality, as applicable.

(c) Entitles a representative of a paying hospital to appear at the time and place designated in the public notice and to be heard regarding any matter related to the mandatory payments authorized under this chapter.

Sec. 300.0102. LOCAL PROVIDER PARTICIPATION FUND; DEPOSITORY. (a) Requires each governing body of a local government that collects a mandatory payment authorized under this chapter to create a local provider participation fund.

(b) Requires the governing body of a local government, if the governing body creates a local provider participation fund, to designate one or more banks as a depository for the mandatory payments received by the local government.

(c) Authorizes the governing body of a local government to withdraw or use money in the local provider participation fund of the local government only for a purpose authorized under this chapter.

(d) Requires all funds collected under this chapter to be secured in the manner provided for securing other funds of the local government.

Sec. 300.0103. LOCAL PROVIDER PARTICIPATION FUND; AUTHORIZED USES OF MONEY. (a) Provides that the local provider participation fund established by a local government under Section 300.0102 consists of certain money and revenues.

(b) Authorizes money deposited to the local provider participation fund of a local government to be used only for certain enumerated purposes.

(c) Prohibits money in the local provider participation fund of a local government from being commingled with other funds of the local government.

(d) Prohibits any funds received by the state, local government, or other entity as a result of an intergovernmental transfer of funds described by Subsection (b-1), notwithstanding any other provision of this chapter, with respect to that transfer, made by the local government, from being used by the state, local government, or any other entity to:

(1) expand Medicaid eligibility 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); or

(2) fund the nonfederal share of payments to nonpublic hospitals available through the Medicaid disproportionate share hospital program or the delivery system reform incentive payment program.

SUBCHAPTER D. MANDATORY PAYMENTS

Sec. 300.0151. MANDATORY PAYMENTS. (a) Requires the governing body of a local government, except as provided by Subsection (e), if the governing body authorizes a program under this chapter, to require an annual mandatory payment to be assessed on the net patient revenue of each institutional health care provider located in the hospital district, county, or municipality, as applicable. Requires the governing body to provide that the mandatory payment is to be assessed at least annually, but not more often than quarterly. Provides that in the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider located in the hospital district, county, or municipality, as applicable, as determined by the data reported to DSHS under Sections 311.032 and 311.033 in the most recent fiscal year for which that data was reported. Provides that, if the institutional health care provider did not report any data under those sections, the provider's net patient revenue is the amount of that revenue as contained in the provider's Medicare cost report submitted for the previous fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report. Requires the local government to update the amount of the mandatory payment on an annual basis.

(b) Requires the amount of a mandatory payment authorized under this chapter for a local government to be uniformly proportionate with the amount of net patient revenue generated by each paying hospital in the hospital district, county, or municipality, as applicable, as permitted under federal law. Prohibits a program authorized under this chapter from holding harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) Requires the governing body of a local government that authorizes a program under this chapter to set the amount of the mandatory payment. Prohibits the aggregate amount of the mandatory payments required of all paying hospitals in the hospital district, county, or municipality, as applicable, from exceeding six percent of the aggregate net patient revenue from hospital services provided by all paying hospitals in the hospital district, county, or municipality, as applicable.

(d) Requires the governing body of a local government, subject to Subsection (c), to set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the local government for activities under this chapter and to fund an intergovernmental transfer described by Section 300.0103(b)(1) (relating to authorizing certain money to be used only to fund certain intergovernmental transfers). Prohibits the annual amount of revenue from mandatory payments that is required to be paid for administrative expenses for activities under this chapter by the local government from exceeding $150,000, plus the cost of collateralization of deposits, regardless of actual expenses.

(e) Prohibits a paying hospital from adding a mandatory payment required under this section as a surcharge to a patient.

(f) Provides that a mandatory payment required by the governing body of a hospital district under this chapter is not a tax for purposes of the applicable provision of Article IX (Counties), Texas Constitution.

Sec. 300.0152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. (a) Authorizes a hospital district to designate an official of the district or contract with another person to assess and collect the mandatory payments authorized under this chapter.

(b) Authorizes a county or municipality to collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter.

(c) Requires the person charged by the local government with the assessment and collection of mandatory payments to charge and deduct from the mandatory payments collected for the local government a collection fee in an amount not to exceed the person's usual and customary charges for like services.

(d) Requires any revenue from a collection fee charged under Subsection (c), if the person charged with the assessment and collection of mandatory payments is an official of the local government, to be deposited in the local government general fund and, if appropriate, to be reported as fees of the local government.

Sec. 300.0153. CORRECTION OF INVALID PROVISION OR PROCEDURE. (a) Provides that this chapter does not authorize a local government to collect mandatory payments for the purpose of raising general revenue or any amount in excess of the amount reasonably necessary to fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements for nonpublic hospitals and to cover the administrative expenses of the local government associated with activities under this chapter and other uses of the fund described by Section 300.0103(b).

(b) Authorizes the local government, to the extent any provision or procedure under this chapter causes a mandatory payment authorized under this chapter to be ineligible for federal matching funds, to provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare and Medicaid Services. Prohibits a rule adopted under this section from creating, imposing, or materially expanding the legal or financial liability or responsibility of the local government or an institutional health care provider in

the local hospital district, county, or municipality, as applicable, beyond the provisions of this chapter. Provides that this section does not require the governing body of a local government to adopt a rule.

(c) Authorizes the local government to only assess and collect a mandatory payment authorized under this chapter if a waiver program, uniform rate enhancement, or reimbursement described by Section 300.0103(b)(1) is available to the local government.

Sec. 300.0154. REPORTING REQUIREMENTS. (a) Requires the governing body of each local government that authorizes a program under this chapter to report information to HHSC regarding the program on a schedule determined by HHSC.

(b) Requires the information required under Subsection (a) to include certain information.

(c) Requires the executive commissioner to adopt rules to administer this section.

Sec. 300.0155. EXPIRATION OF AUTHORITY. Provides that the authority of a local government to administer and operate a program under this chapter expires on September 1 following the second anniversary of the date the governing body of the local government adopted the order or ordinance authorizing the local government to participate in the program as provided by Section 300.0004.

Sec. 300.0156. AUTHORITY TO REFUSE FOR VIOLATION. Authorizes HHSC to refuse to accept money from a local provider participation fund established under this chapter if HHSC determines that doing so may violate federal law.

SECTION 2. Amends Subtitle D, Title 4, Health and Safety Code, by adding Chapter 300A, as follows:

CHAPTER 300A. HEALTH CARE PROVIDER PARTICIPATION PROGRAM IN DISTRICTS COMPOSED OF CERTAIN LOCAL GOVERNMENTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 300A.0001. PURPOSE. Sets forth the purpose for this chapter.

Sec. 300A.0002. DEFINITIONS. Defines "board," "director," "district," "institutional health care provider," "local government," and "paying hospital" and defines "program" to mean a provider participation program authorized by this chapter for purposes of this chapter.

Sec. 300A.0003. APPLICABILITY. Provides that this chapter applies only to:

(1) hospital district that is not participating in a health care provider participation program authorized by another chapter of this subtitle and has only one institutional health care provider located in the district; and

(2) a county or municipality that is not participating in a health care provider participation program authorized by another chapter of this subtitle, is not served by a hospital district or a public hospital, and has only one institutional health care provider located in the county or municipality.

SUBCHAPTER B. CREATION, OPERATION, AND DISSOLUTION OF DISTRICT

Sec. 300A.0021. CREATION BY CONCURRENT ORDERS. (a) Authorizes a local government and one or more other local governments to create a district by adopting concurrent orders.

(b) Requires a concurrent order to create a district to take certain enumerated requirements.

Sec. 300A.0022. POWERS. Authorizes a district to authorize and administer a program in accordance with this chapter.

Sec. 300A.0023. BOARD OF DIRECTORS. (a) Requires the presiding officer of the governing body of each local government that creates the district, if three or more local governments create a district, to appoint one director.

(b) Provides that if two local governments create a district:

(1) the presiding officer of the governing body of the most populous local government is required to appoint two directors; and

(2) the presiding officer of the governing body of the other local government is required to appoint one director.

(c) Provides that directors serve staggered two-year terms, with as near as possible to one-half of the directors' terms expiring each year.

(d) Requires a vacancy in the office of director to be filled for the unexpired term in the same manner as the original appointment.

(e) Requires the board to elect from among its members a president. Authorizes the president to vote and to cast an additional vote to break a tie.

(f) Requires the board to also elect from among its members a vice president.

(g) Requires the board to appoint a secretary, who need not be a director.

(h) Provides that each officer of the board serves for a term of one year.

(i) Requires the board to fill a vacancy in a board office for the unexpired term.

(j) Requires a majority of the members of the board voting to concur in a matter relating to the business of the district.

Sec. 300A.0024. QUALIFICATIONS FOR OFFICE. (a) Requires a person, to be eligible to serve as a director, to be a resident of the local government that appoints the person under Section 300A.0023.

(b) Prohibits an employee of the district from serving as a director.

Sec. 300A.0025. COMPENSATION. (a) Provides that directors and officers serve without compensation but are authorized to be reimbursed for actual expenses incurred in the performance of official duties.

(b) Requires expenses reimbursed under this section to be reported in the district's minute book or other district records and approved by the board.

Sec. 300A.0026. AUTHORITY TO SUE AND BE SUED. Authorizes the board to sue and be sued on behalf of the district.

Sec. 300A.0027. DISTRICT FINANCES. Provides that Subchapter F (District Finances), Chapter 287, other than Sections 287.129 (Spending and Investment Limitations) and 287.130 (Depository), applies to the district in the same manner that those provisions apply to a health services district created under Chapter 287 (Health Services Districts). Provides that this section does not authorize the district to issue bonds.

Sec. 300A.0028. DISSOLUTION. Requires a district to be dissolved if the local governments that created the district adopt concurrent orders to dissolve the district and the concurrent orders contain identical provisions.

Sec. 300A.0029. ADMINISTRATION OF PROPERTY, DEBTS, AND ASSETS AFTER DISSOLUTION. (a) Requires the board, after dissolution of a district under Section 300A.0028, to continue to control and administer any property, debts, and assets of the district until all funds have been disposed of and all district debts have been paid or settled.

(b) Requires the board, as soon as practicable after the dissolution of the district, to transfer to each institutional health care provider in the district the provider's proportionate share of any remaining funds in any local provider participation fund created by the district under Section 300A.0102.

(c) Requires the district, if, after administering any property and assets, the board determines that the district's property and assets are insufficient to pay the debts of the district, to transfer the remaining debts to the local governments that created the district in proportion to the funds contributed to the district by each local government, including a paying hospital in the local government.

(d) Requires the board, if, after complying with Subsections (b) and (c) and administering the property and assets, the board determines that unused funds remain, to transfer the unused funds to the local governments that created the district in proportion to the funds contributed to the district by each local government, including a paying hospital in the local government.

Sec.300A.0030. ACCOUNTING AFTER DISSOLUTION. Requires the board, after the district has paid all its debts and has disposed of all its assets and funds as prescribed by Section 300A.0029, to provide an accounting to each local government that created the district. Requires the accounting to show the manner in which the assets and debts of the district were distributed.

SUBCHAPTER C. HEALTH CARE PROVIDER PARTICIPATION PROGRAM; POWERS AND DUTIES OF DISTRICT BOARD

Sec. 300A.0051. HEALTH CARE PROVIDER PARTICIPATION PROGRAM. Authorizes the board of a district to authorize the district to participate in a program on the affirmative vote of a majority of the board, subject to the provisions of this chapter.

Sec. 300A.0052. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY PAYMENT. Authorizes the board to require a mandatory payment authorized under this chapter by an institutional health care provider in the district only in the manner provided by this chapter.

Sec. 300A.0053. RULES AND PROCEDURES. Authorizes the board to adopt rules relating to the administration of the health care provider participation program in the district, including collection of the mandatory payments, expenditures, audits, and any other administrative aspects of the program.

Sec. 300A.0054. INSTITUTIONAL HEALTH CARE PROVIDER REPORTING. Requires the board, if the board authorizes the district to participate in a program under this chapter, to require each institutional health care provider located in the district to submit to the district a copy of any financial and utilization data required by and reported to DSHS under Sections 311.032 and 311.033 and any rules adopted by the executive commissioner to implement those sections.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 300A.0101. HEARING. (a) Requires the board, in each year that the board authorizes a health care provider participation program under this chapter, to hold a public hearing on the amounts of any mandatory payments that the board intends to require during the year and how the revenue derived from those payments is to be spent.

(b) Requires the board, not later than the fifth day before the date of the hearing required under Subsection (a), to publish notice of the hearing in a newspaper of general circulation in each local government that creates the district and provide written notice of the hearing to the chief operating officer of each institutional health care provider in the district.

(c) Entitles a representative of a paying hospital to appear at the time and place designated in the public notice and be heard regarding any matter related to the mandatory payments authorized under this chapter.

Sec. 300A.0102. LOCAL PROVIDER PARTICIPATION FUND; DEPOSITORY. (a) Requires the board, if the board collects a mandatory payment authorized under this chapter, to create a local provider participation fund in one or more banks designated by the district as a depository for the mandatory payments received by the district.

(b) Authorizes the board to withdraw or use money in the local provider participation fund of the district only for a purpose authorized under this chapter.

(c) Requires all funds collected under this chapter to be secured in the manner provided for securing public funds.

Sec. 300A.0103. DEPOSITS TO FUND; AUTHORIZED USES OF MONEY. (a) Provides that the local provider participation fund established under Section 300A.0102 consists of certain money and revenue.

(b) Authorizes money deposited to the local provider participation fund to be used only for certain enumerated actions.

(c) Prohibits money in the local provider participation fund from being commingled with other district funds or other funds of a local government that creates the district.

(d) Prohibits any funds received by the state, district, or other entity as a result of an intergovernmental transfer of funds described by Subsection (b)(1) made by the district, notwithstanding any other provision of this chapter, with respect to transfer, from being used by the state, district, or any other entity to:

(1) expand Medicaid eligibility 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); or

(2) fund the nonfederal share of payments to nonpublic hospitals available through the Medicaid disproportionate share hospital program or the delivery system reform incentive payment program.

Sec. 300A.0104. ACCOUNTING OF FUNDS. Requires the district to maintain an accounting of the funds received from each local government that creates the district, including a paying hospital located in a hospital district, county, or municipality that created the district, as applicable.

SUBCHAPTER E. MANDATORY PAYMENTS

Sec. 300A.0151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL NET PATIENT REVENUE. (a) Requires the district, except as provided by Subsection (e), if the board authorizes a program under this chapter, to require an annual mandatory

payment to be assessed on the net patient revenue of each institutional health care provider located in the district. Requires the board to provide that the mandatory payment is to be assessed at least annually, but not more often than quarterly. Provides that in the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider located in the district as determined by the data reported to DSHS under Sections 311.032 and 311.033 in the most recent fiscal year for which that data was reported. Provides that if the institutional health care provider did not report any data under those sections, the provider's net patient revenue is the amount of that revenue as contained in the provider's Medicare cost report submitted for the previous fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report. Requires the district to update the amount of the mandatory payment on an annual basis.

(b) Requires the amount of a mandatory payment authorized under this chapter to be uniformly proportionate with the amount of net patient revenue generated by each paying hospital in the district as permitted under federal law. Prohibits a health care provider participation program authorized under this chapter from holding harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) Requires the board to set the amount of a mandatory payment authorized under this chapter. Prohibits the aggregate amount of the mandatory payments required of all paying hospitals in the district from exceeding six percent of the aggregate net patient revenue from hospital services provided by all paying hospitals in the district.

(d) Requires the board, subject to Subsection (c), to set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the district for activities under this chapter and to fund an intergovernmental transfer described by Section 300A.0103(b)(1). Prohibits the annual amount of revenue from mandatory payments that is required to be paid for administrative expenses by the district for activities under this chapter from exceeding $150,000, plus the cost of collateralization of deposits, regardless of actual expenses.

(e) Prohibits a paying hospital from adding a mandatory payment required under this section as a surcharge to a patient.

(f) Provides that, for purposes of any hospital district that creates a district under this chapter, a mandatory payment assessed under this chapter is not a tax for hospital purposes for purposes of the applicable provision of Article IX, Texas Constitution.

Sec. 300A.0152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. (a) Authorizes the district to designate an official of the district or contract with another person to assess and collect the mandatory payments authorized under this chapter.

(b) Requires the person charged by the district with the assessment and collection of mandatory payments to charge and deduct from the mandatory payments collected for the district a collection fee in an amount not to exceed the person's usual and customary charges for like services.

(c) Requires any revenue from a collection fee charged under Subsection (b), if the person charged with the assessment and collection of mandatory payments is an official of the district, to be deposited in the district general fund and, if appropriate, to be reported as fees of the district.

Sec. 300A.0153. CORRECTION OF INVALID PROVISION OR PROCEDURE; LIMITATION OF AUTHORITY. (a) Provides that this chapter does not authorize the

district to collect mandatory payments for the purpose of raising general revenue or any amount in excess of the amount reasonably necessary to:

(1) fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements for nonpublic hospitals; and

(2) cover the administrative expenses of the district associated with activities under this chapter and other uses of the fund described by Section 300A.0103(b).

(b) Authorizes the board, to the extent any provision or procedure under this chapter causes a mandatory payment authorized under this chapter to be ineligible for federal matching funds, to provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare and Medicaid Services. Prohibits a rule adopted under this section from creating, imposing, or materially expanding the legal or financial liability or responsibility of the district or an institutional health care provider in the district beyond the provisions of this chapter. Provides that this section does not require the board to adopt a rule.

(c) Authorizes the district to only assess and collect a mandatory payment authorized under this chapter if a waiver program, uniform rate enhancement, or reimbursement described by Section 300A.0103(b)(1) is available to the district.

Sec. 300A.0154. REPORTING REQUIREMENTS. (a) Requires the board of a district that authorizes a program under this chapter to report information to HHSC regarding the program on a schedule determined by HHSC.

(b) Requires the information required under Subsection (a) to include certain information.

(c) Requires the executive commissioner to adopt rules to administer this section.

Sec. 300A.0155. EXPIRATION OF AUTHORITY. Provides that the authority of a district to administer and operate a program under this chapter expires on September 1 following the second anniversary of the date the board of the district authorized the district to participate in the program as provided by Section 300A.0051.

Sec. 300A.0156. AUTHORITY TO REFUSE FOR VIOLATION. Authorizes HHSC to refuse to accept money from a local provider participation fund established under this chapter if HHSC determines that doing so may violate federal law.

SECTION 3. Requires the governing body of a local government, as soon as practicable after the expiration of the authority of the local government to administer and operate a health care provider participation program under Chapter 300 or 300A, Health and Safety Code, as added by this Act, to transfer to each institutional health care provider in the boundaries of the local government that provider's proportionate share of any remaining funds in any local provider participation fund created by the local government under Chapter 300 or 300A, Health and Safety Code, as added by this Act.

SECTION 4. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such a waiver or authorization is granted.

SECTION 5. Effective date: upon passage or September 1, 2019.