

CHAPTER 880

H.B. No. 2790

AN ACT

relating to county responsibility for indigent health care services; providing a criminal penalty.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subchapter B, Chapter 61, Health and Safety Code, is amended by adding Sections 61.042–61.044 to read as follows:

Sec. 61.042. *EMPLOYMENT SERVICES PROGRAM.* (a) *A county may establish procedures consistent with those used by the department under Chapter 31, Human Resources Code, for administering an employment services program and requiring an applicant or eligible resident to register for work with the Texas Employment Commission.*

(b) *The county shall notify all persons with pending applications and eligible residents of the employment service program requirements not less than 30 days before the program is established.*

Sec. 61.043. *PREVENTION AND DETECTION OF FRAUD.* (a) *The county shall adopt reasonable procedures for minimizing the opportunity for fraud, for establishing and maintaining methods for detecting and identifying situations in which a question of fraud may exist, and for administrative hearings to be conducted on disqualifying persons in cases where fraud appears to exist.*

(b) *Procedures established by a county for administrative hearings conducted under this section shall provide for appropriate due process, including procedures for appeals.*

Sec. 61.044. *SUBROGATION.* (a) *The filing of an application for or receipt of services constitutes an assignment of the applicant's or recipient's right of recovery from:*

- (1) *personal insurance;*

(2) other sources; or

(3) another person for personal injury caused by the other person's negligence or wrong.

(b) A person who applies for or receives services shall inform the county, at the time of application or at any time during eligibility, of any unsettled tort claim that may affect medical needs and of any private accident or sickness insurance coverage that is or may become available. An applicant or eligible resident shall inform the county of any injury that is caused by the act or failure to act of some other person. An applicant or eligible person shall inform the county as required by this subsection within 10 days of the date the person learns of the person's insurance coverage, tort claim, or potential cause of action.

(c) A claim for damages for personal injury does not constitute grounds for denying or discontinuing services under this chapter.

(d) A separate and distinct cause of action in favor of the county is hereby created, and the county may, without written consent, take direct civil action in any court of competent jurisdiction. A suit brought under this section need not be ancillary to or dependent on any other action.

(e) The county's right of recovery is limited to the amount of the cost of services paid by the county. Other subrogation rights granted under this section are limited to the cost of the services provided.

(f) An applicant or eligible resident who knowingly and intentionally fails to disclose the information required by Subsection (b) commits a Class C misdemeanor.

(g) An applicant or eligible resident is subject to denial of services under this chapter following an administrative hearing.

SECTION 2. This Act takes effect September 1, 1993, and applies to services provided on or after that date.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 14, 1993, by a non-record vote; passed by the Senate on May 27, 1993, by a viva-voce vote.

Approved June 18, 1993.

Effective Sept. 1, 1993.