CHAPTER 448

H.B. No. 147

AN ACT

relating to the responsibility to provide indigent health care services to the residents of certain cities.

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

SECTION 1. Subtitle A, Title 2, Indigent Health Care and Treatment Act (Article 4438f, Vernon's Texas Civil Statutes), is amended by adding Section 2.011 to read as follows:

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- Sec. 2.011. COUNTY AGREEMENT WITH CITY. (a) This section applies to a city that has a population of less than 15,000, according to the most recent federal census, and that owns, operates, or leases a hospital. A transfer agreement under this section must be made by the adoption of an ordinance, resolution, or order by the commissioners court and the governing body of the city that owns, operates, or leases a hospital.
- (b) A county and city may agree to a transfer of partial responsibility to the county under which the city hospital continues to provide health care services to eligible residents of the city, but the county agrees to assume the hospital's responsibility to reimburse other providers who provide required inpatient or outpatient services to eligible residents that the city hospital was not able to provide or who provide emergency services to eligible residents. If the county and city agree to a transfer as prescribed by this subsection, the hospital is a public hospital for the purposes of this Act, but it does not have a responsibility to provide reimbursement for services it was not able to provide or for emergency services provided in another facility.
- (c) Expenditures made by the county under Subsection (b) of this section may be counted toward eligibility for state assistance under Subtitle D of this title if the person who received the health care services meets the eligibility standards established under Section 1.06 of this Act and would have been eligible for assistance under the county program if the person had not resided in an area that a public hospital has a legal obligation to serve.
- (d) An agreement to transfer partial responsibility to a county under this section must be made not later than August 31, 1989, and must take effect on a September 1 that occurs not later than two years after the date on which the county and city agree to the transfer. A county and city may not revoke or amend an agreement made under this section.
- (e) If a county agrees to a transfer of partial responsibility under this section, the county, the hospital, and any other entity in the county that provides services under this Act shall adopt coordinated application and eligibility verification procedures. In establishing the coordinated procedures, the county and other entities shall focus on facilitating the efficient and timely referral of residents to the proper entity in the county. In addition, the procedures must comply with the requirements of Sections 2.04 and 10.03 of this Act. Expenditures made by a county in establishing the coordinated procedures prescribed by this section may not be counted toward eligibility for state assistance under Subtitle D of this title.
- (f) Not later than the 30th day after the county and city agree to the transfer, the county and city shall notify the department of the agreement and the date on which the agreement takes effect. The county and city shall also send the department a copy of any ordinance, resolution, or order relating to the agreement.
 - SECTION 2. This Act takes effect September 1, 1987.
- 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 April 29, 1987, by the following vote: Yeas 95, Nays 42, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 147 on May 26, 1987, by a non-record vote. Passed by the Senate, with amendments, on May 21, 1987, by a viva-voce vote.

Approved June 17, 1987.

Effective Sept. 1, 1987.