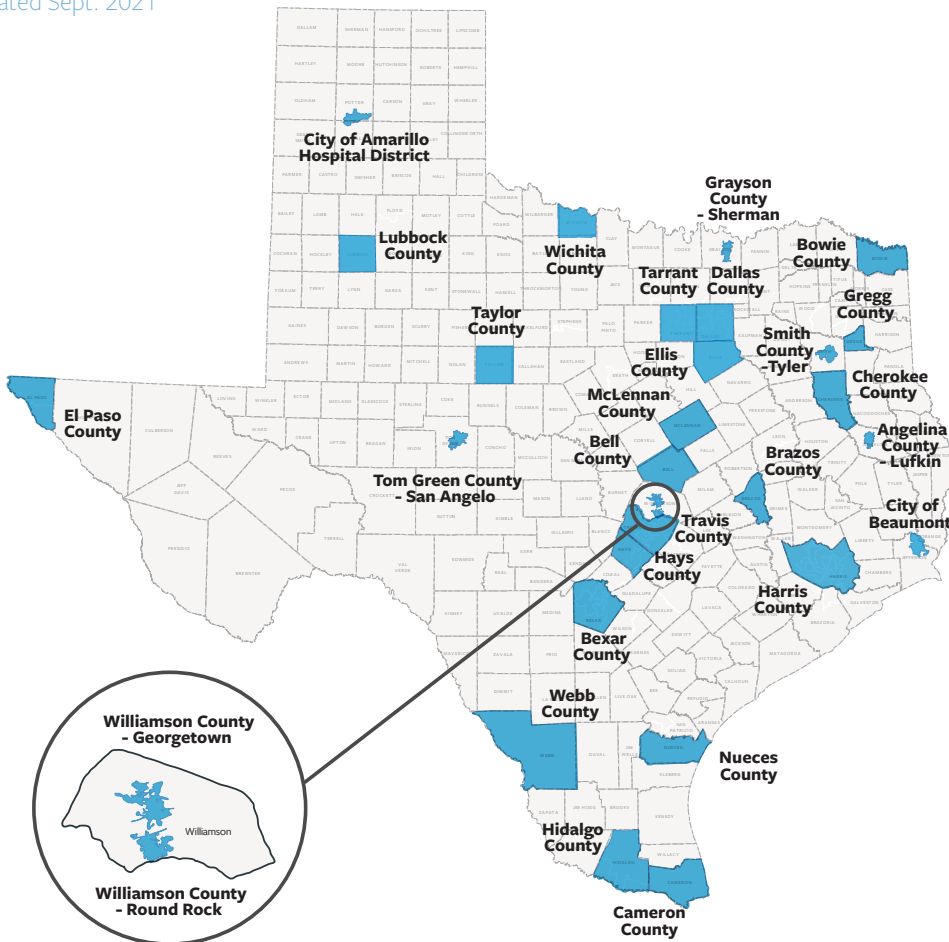




Local Provider Participation Funds in Texas

Updated Sept. 2021



 **28**
**CITIES AND COUNTIES
HAVE LEGISLATIVE
AUTHORITY TO CREATE
LOCAL PROVIDER
PARTICIPATION
FUNDS**

Since 2013, Texas hospitals in cities and counties across the state have legislative approval to create local provider participation funds for the purpose of generating a source of the non-federal share of supplemental Medicaid payments.

Through an LPPF, local governments impose an assessment, not to exceed 6%, on the net patient revenue of hospitals in a particular jurisdiction. LPPFs are created with specific legislative authority to allow the local jurisdiction to tailor LPPF requirements and authorized uses to the needs of their community.

A law passed in 2019 allows certain government entities to temporarily establish an LPPF. Local government entities have authority to administer the LPPF for only two years. The LPPF expires Sept. 1 following the second anniversary of its authorization. The Texas Legislature must take statutory action to continue the LPPF.

The Texas Hospital Association supports hospitals in pursuing LPPFs as a solution to local health care challenges and will continue to work with any member hospital interested in building LPPFs.

Local Provider Participation Funds List

JURISDICTION	AUTHORIZING LEGISLATION	HEALTH AND SAFETY CODE CHAPTER
City of Amarillo Hospital District	Senate Bill 2117, 85th Texas Legislature	Chapter 295A
Angelina County - Lufkin	House Bill 2995, 85th Texas Legislature	Chapter 291A
City of Beaumont	Senate Bill 1387, 84th Texas Legislature	Chapter 295
Bell County	House Bill 2913, 84th Texas Legislature	Chapter 297
Bexar County	Senate Bill 1545, 86th Texas Legislature	Chapter 298F
Bowie County	Senate Bill 1587, 84th Texas Legislature	Chapter 291
Brazos County	House Bill 3185, 84th Texas Legislature	Chapter 296
Cameron County	Senate Bill 1623, 83rd Texas Legislature	Chapter 288
Cherokee County	Senate Bill 1587, 84th Texas Legislature	Chapter 292
Dallas County	Established by House Bill 4300, 85th Texas Legislature. House Bill 2326, 86th Texas Legislature, extended the sunset date to 12/31/2025.	Chapter 298A
Ellis County	House Bill 4548, 86th Texas Legislature	Chapter 296A
El Paso County	Senate Bill 1751, 86th Texas Legislature	Chapter 298G
Grayson County - Sherman	House Bill 2062, 85th Texas Legislature	Chapter 292A
Gregg County	Senate Bill 1587, 84th Texas Legislature	Chapter 292
Hays County	House Bill 3175, 84th Texas Legislature	Chapter 293

JURISDICTION	AUTHORIZING LEGISLATION	HEALTH AND SAFETY CODE CHAPTER
Harris County	Established by House Bill 3459, 86th Texas Legislature. House Bill 1338, 87th Texas Legislature, extended the sunset date to 12/31/2023.	Chapter 299
Hidalgo County	Senate Bill 1623, 83rd Texas Legislature	Chapter 288
Lubbock County	Senate Bill 2448, 86th Texas Legislature	Chapter 298C
McLennan County	House Bill 2809, 84th Texas Legislature	Chapter 294
Nueces County	Established by Senate Bill 2315, 86th Texas Legislature. House Bill 1456, 87th Texas Legislature, repeals the 12/31/2021 expiration.	Chapter 298C
Smith County - Tyler	House Bill 2995, 85th Texas Legislature	Chapter 291A
Tarrant County	Established by Senate Bill 1462, 85th Texas Legislature. House Bill 2324, 86th Texas Legislature extended the sunset date to 12/31/2025.	Chapter 298B
Taylor County	House Bill 1142, 86th Texas Legislature	Chapter 293C
Tom Green County - San Angelo	House Bill 3398, 85th Texas Legislature	Chapter 293A
Travis County	Senate Bill 1350 and House Bill 1142, 86th Texas Legislature	Chapter 298E
Webb County	Senate Bill 1623, 83rd Texas Legislature	Chapter 288
Wichita County	Senate Bill 2286 and House Bill 4548, 86th Texas Legislature	Chapter 292C
Williamson County - Georgetown, Round Rock	House Bill 3954, 85th Texas Legislature	Chapter 292B
Local Government Authority to Establish Temporary LPPF	House Bill 4289, 86th Texas Legislature	Chapters 300 and 300A

Download the THA Legislative Session App

The best way to stay current on the legislation impacting Texas hospitals is to download and turn on push notifications for the Texas Hospital Association's Legislative Session App.

The THA Legislative Session App will provide updates and resources member hospitals need to stay engaged and take action on Texas hospitals' policy priorities.



Point your smartphone camera at this code to download the app on the App Store or Google Play. You can also visit www.tha.org/legislativeapp



For more information, call 512/465-1000 or visit www.tha.org.

THA's educational series on hospital finance includes:



Part I: Medicaid's Role in Hospital Financing

Part II: Local Provider Participation Funds in Texas

Part III: Value-Based Payment

Part IV: Rural Hospital Financing

Part V: Graduate Medical Education

Part VI: Hospital Payment Sources

For more information please visit www.tha.org/hospitalfinance