

By: Campos, Garcia

H.B. No. 1290

A BILL TO BE ENTITLED

# 1 AN ACT

2 relating to the confiscation or misappropriation by a nursing  
3 facility of certain federal payments to a Medicaid recipient;  
4 increasing an administrative penalty.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter C, Chapter 242, Health and Safety  
7 Code, is amended by adding Section 242.0661 to read as follows:

8                   Sec. 242.0661. ADMINISTRATIVE PENALTY FOR CONFISCATION OR  
9    MISAPPROPRIATION OF FEDERAL PAYMENTS. (a) In this section:

22                   (b) A facility may not confiscate or misappropriate an  
23 eligible federal payment made to a resident who is a recipient of  
24 Medicaid. Notwithstanding Section 242.066(b), a facility that

H.B. No. 1290

1 violates this section is subject to an administrative penalty in  
2 the amount equal to \$25,000 for each violation. Each day the  
3 facility fails to return confiscated or misappropriated money to  
4 the resident constitutes a separate violation.

5 SECTION 2. Section 242.0661, Health and Safety Code, as  
6 added by this Act, applies only to conduct that occurs on or after  
7 the effective date of this Act. Conduct that occurs before that  
8 date is governed by the law in effect on the date the conduct  
9 occurred, and the former law is continued in effect for that  
10 purpose.

11 SECTION 3. This Act takes effect September 1, 2023.