



The Senate of
The State of Texas

SENATOR RODNEY ELLIS
District 13

PRESIDENT PRO TEMPORE
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OPINION COMMITTEE

FILE # ML-46160-09

I.D. # 46160

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State Affairs

August 27, 2009

The Honorable Greg Abbott
Attorney General of Texas
PO Box 12548
Austin, TX 78711-2548

RQ-0821-GA

Dear General Abbott:

The purpose of this letter is to request your assistance and opinion regarding the reporting and accounting of charity care provided by non-profit hospitals.

During the 73rd Legislature, I authored SB 427, which required non-profit hospitals to meet one of three standards for providing charity care in return for receiving tax-benefits for their non-profit status.

Currently there is no enforcement language in the statute, aside from a penalty for late reporting. The reporting section (Sec. 311.0455) of the statute requires non-profit hospitals to submit a report annually to your department. Because your department reviews these reports from non-profit hospitals that I am requesting your opinion and assistance regarding the charity care provided by these entities. Currently there is a lack of uniformity, transparency, and enforcement in the way in which non-profit hospitals account for their charity care. I would greatly appreciate your assistance and opinion in assessing the current law and recommendations for ways to improve charity care for the State of Texas.

If you need any additional information or have any questions, please do not hesitate to contact my staff.

Sincerely,

Rodney Ellis

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