#### **BILL ANALYSIS**

H.B. 1094 By: Capelo Public Health Committee Report(Unamended)

### **BACKGROUND AND PURPOSE**

Today in Texas out of 254 counties, 196 are considered rural and nearly all are either medically underserved or have an insufficient number of health care professionals. Sixty-two rural counties do not have a hospital, 26 had no primary care physician in 1998, and 13 had only one health care practitioner. Urban areas are experiencing declining number of health care professionals who will accept Medicaid, low-income patients or uninsured patients. Additionally, there is also a growing crisis in Texas hospital emergency rooms. Houston, Austin, and El Paso newspapers have carried major stories on the growing crisis in emergency care. The Houston Chronicle reported in January that on one "exceptionally bad day" up to 22 of the city's 29 hospitals were on diversion status.

One option adopted by many Texas communities to address a shortage of health care services is to establish a Federally Qualified Health Center (FQHC.) These facilities are medical clinics that provide health care services to all Texans regardless of their possession of health insurance or their ability to pay. By federal law, each FQHC must be located in a medically underserved area of the state. Today, Texas' 181 FQHCs are located in 58 counties of both rural and poor inner city communities where there is limited or non-existent access to other primary health care providers. FQHCs bring federal health care funds into Texas communities and they provide an alternative to high cost ERs. Currently, Texas has an insufficient number of FQHCs to meet the needs of the areas that would qualify for the funds. The "Save Our Ers" coalition estimates that Houston could qualify for 12 additional FQHCs. H.B. 1094 authorizes the Texas Department of Health's Bureau of Primary Care to provide grants and technical assistance to communities for the establishment of federally qualified health centers.

## **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

# **ANALYSIS**

Amends Chapter 31, Health and Safety Code by adding 31.017. Allows the Department of Health to make grants to establish or expand existing facilities in order to qualify for the federally qualified health centers (FQHC) program. The department may make planning grants, development grants, capital improvement grants, and grants for transitional operating grants.

### **EFFECTIVE DATE**

September 1, 2003

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