

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 24, 2003**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1614** by Truitt (Relating to the reporting of medical errors and the establishment of a patient safety program in hospitals, ambulatory surgical centers and mental hospitals; providing an administrative penalty. ), **Committee Report 2nd House, Substituted**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Health and Safety Code to require the Department of Health (TDH) develop a patient safety program for hospitals, ambulatory surgical centers, and mental hospitals using existing resources. Under the provisions of the bill, TDH would be required to compile and make public a summary of events reported by the hospitals, ambulatory surgical centers and mental hospitals. The bill would require the Commissioner of Public Health to evaluate the patient safety program and submit the evaluation, with recommendations, to the Legislature not later than December 1, 2006.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to the Senate and the House of Representatives. Otherwise, the bill would take effect September 1, 2003.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated. The bill would require hospitals, ambulatory surgical centers and mental hospitals to submit an annual report to the department regarding the occurrence of certain events. The report would be due based on the date of licensure or relicensure of each entity. It is assumed that the provisions of the bill would apply to entities owned by local governments and therefore, these entities may incur costs associated with implementing the provisions of the bill.

**Source Agencies:** 501 Department of Health

**LBB Staff:** JK, EB, RM