

## **BILL ANALYSIS**

C.S.H.B. 2471  
By: Delisi  
Public Health  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

In the 75th Legislature, SB 422 authorized a hospital with multiple hospital locations to receive a single license. These facilities had to be located within a 30-mile radius of the license holder. This was intended to reduce the administrative burden for these facilities as more hospitals were entering into larger healthcare systems.

A few situations have occurred recently where facilities under a single license have closed their emergency departments and directed patients to another facility within the license that had an emergency room. The general public reasonably assumes that a facility with the blue "H" (hospital) sign provides at least basic emergency care at that facility and being diverted to another location in an emergency could be dangerous. This bill requires that hospitals under one license must have emergency services unless they are within close geographic proximity of another hospital under the same license, or they receive a waiver exempting them from this requirement.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 of this bill.

### **ANALYSIS**

The substitute by providing the ability to issue one license for multiple hospitals. The Department of State Health Services is authorized to grant one license for multiple hospitals if all buildings used for services are control by the same governing body and are within a 30-mile radius within the main address of the applicant for the license. There must also be integration of the medical staff of the hospitals, a single chief executive officer who controls all administrative activities, and a single chief medical officer who is responsible for all medical staff activities in the hospitals. The buildings of hospitals included in the license must contain at least one nursing unit for inpatients. Each hospital must comply with emergency services standards, for either a general hospital or a special hospital. The hospital licensing director is authorized to recommend a waiver of this requirement for a hospital if another hospital on the license complies with emergency standards and is within close geographic proximity. The executive commissioner of the HHSC is given rulemaking authority to implement this waiver provision. This bill also repeals the definition of "premises" set forth in the Health and Safety Code. The changes in this act apply only to applications for licenses submitted on or after the effective date of this act.

### **EFFECTIVE DATE**

September 1, 2005.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute differs from the filed version of the bill requiring a single chief medical officer for all the hospitals, rather than each hospital being required to have an officer. The substitute requires that all hospitals have emergency services, and allows for waivers exempting a hospital if it is in close geographic proximity to, rather than within three miles of, a hospital under the same license that has emergency services. The substitute provides rulemaking authority to the executive commissioner of the HHSC to implement the waiver provision.