

1-1 By: Delisi (Senate Sponsor - Nelson) H.B. No. 2471
1-2 (In the Senate - Received from the House May 16, 2005;
1-3 May 17, 2005, read first time and referred to Committee on Health
1-4 and Human Services; May 20, 2005, reported favorably by the
1-5 following vote: Yeas 7, Nays 0; May 20, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to authorizing the Department of State Health Services to
1-9 issue a single license for multiple hospitals.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 241.023, Health and Safety Code, is
1-12 amended by amending Subsection (c) and adding Subsections (c-1)
1-13 through (c-3) to read as follows:

1-14 (c) Except as provided by Subsection (c-1), the [The]
1-15 department may issue a license only for the premises of a hospital
1-16 and person or governmental unit named in the application.

1-17 (c-1) The department may issue one license for multiple
1-18 hospitals if:

1-19 (1) all buildings in which inpatients receive hospital
1-20 services and inpatient services of each of the hospitals to be
1-21 included in the license are subject to the control and direction of
1-22 the same governing body;

1-23 (2) all buildings in which inpatients receive hospital
1-24 services are within a 30-mile radius of the main address of the
1-25 applicant;

1-26 (3) there is integration of the organized medical
1-27 staff of each of the hospitals to be included in the license;

1-28 (4) there is a single chief executive officer for all
1-29 of the hospitals who reports directly to the governing body and
1-30 through whom all administrative authority flows and who exercises
1-31 control and surveillance over all administrative activities of the
1-32 hospital;

1-33 (5) there is a single chief medical officer for all of
1-34 the hospitals who reports directly to the governing body and who is
1-35 responsible for all medical staff activities of the hospital;

1-36 (6) each building of a hospital to be included in the
1-37 license that is geographically separate from other buildings of the
1-38 same hospital contains at least one nursing unit for inpatients,
1-39 unless providing only diagnostic or laboratory services, or a
1-40 combination of diagnostic or laboratory services, in the building
1-41 for hospital inpatients; and

1-42 (7) each hospital that is to be included in the license
1-43 complies with the emergency services standards:

1-44 (A) for a general hospital, if the hospital
1-45 provides surgery or obstetrical care or both; or

1-46 (B) for a special hospital, if the hospital does
1-47 not provide surgery or obstetrical care.

1-48 (c-2) The hospital licensing director may recommend a
1-49 waiver of the requirement of Subsection (c-1)(7) for a hospital if
1-50 another hospital that is to be included in the license:

1-51 (1) complies with the emergency services standards for
1-52 a general hospital; and

1-53 (2) is in close geographic proximity to the hospital.

1-54 (c-3) The executive commissioner of the Health and Human
1-55 Services Commission shall adopt rules to implement the waiver
1-56 provision of Subsection (c-2). The rules must provide for a
1-57 determination by the department that the waiver will facilitate the
1-58 creation or operation of the hospital seeking the waiver and that
1-59 the waiver is in the best interest of the individuals served or to
1-60 be served by the hospital.

1-61 SECTION 2. Section 241.003(14), Health and Safety Code, is
1-62 repealed.

1-63 SECTION 3. The change in law made by this Act applies only
1-64 to an application for a license submitted on or after the effective

2-1 date of this Act. An application for a license submitted before the
2-2 effective date of this Act is covered by the law in effect on the
2-3 date the application was submitted, and the former law is continued
2-4 in effect for that purpose.

2-5 SECTION 4. This Act takes effect September 1, 2005.

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