

BILL ANALYSIS

C.S.H.B. 1218
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Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under the Deficit Reduction Act and the Government Code, the Health and Human Services Commission (HHSC) is required to improve the efficiency of the state Medicaid program. One approach that has proven viable is the use of electronic health records. HHSC has developed an electronic medical record for children in the foster care program called a health passport, and efforts are under way to expand the use of health passports for all Medicaid clients.

Community groups have also recognized the benefits of electronic health records, and several organizations in Texas are developing or have developed health information exchanges to capture patient data, such as demographics, medications, and other related topics, in accordance with federal and state privacy laws. Health information exchanges have access to a diverse group of providers, and the information collected can be used to test and measure the effectiveness of new health care delivery models as well as to identify methods to decrease costs and increase access to health care.

C.S.H.B. 1218 requires HHSC to establish a pilot project in at least one urban area with the participation of at least two local or regional health information exchanges to determine the feasibility, costs, and benefits of exchanging secure electronic health information between HHSC and a local or regional health information exchange.

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

C.S.H.B. 1218 amends the Government Code to require the Health and Human Services Commission (HHSC) to establish a pilot project in at least one urban area of the state to determine the feasibility, costs, and benefits of exchanging secure electronic health information between HHSC and local or regional health information exchanges. The bill requires the pilot project to include the participation of at least two local or regional health information exchanges.

C.S.H.B. 1218 requires a local or regional health information exchange selected for the pilot project to possess a functioning health information exchange database that exchanges secure electronic health information among hospitals, clinics, physicians' offices, and other health care providers that are not each owned by a single entity or included in a single operational unit or network. The bill requires the information exchanged to include health information for patients receiving services from state and federal health and human services programs administered by HHSC. The bill requires HHSC to establish specific written guidelines, in conjunction with participating health information exchanges, to ensure that information exchanged through the pilot project is used only for the patient's benefit, to specify which health care providers will use which data elements obtained from HHSC and for what purposes, and to ensure compliance with all state and federal laws and rules related to the transmission of health information. The bill

requires HHSC and health information exchanges participating in the pilot project to exchange, at a minimum, a patient's medication history under the pilot project and authorizes the pilot project to include additional health care information. The bill authorizes HHSC to accept gifts, grants, and donations from any public or private source for the operation of the pilot project.

C.S.H.B. 1218 requires HHSC to begin implementing the pilot project not later than the 60th day after the effective date of the bill. The bill requires HHSC, not later than December 1, 2010, to assess the benefits to the state, patients, and health care providers of exchanging secure health information with local or regional health information exchanges; to include, as part of the required assessment, a return on investment analysis for the guidelines developed for the program; and to report the commission's findings to the standing committees of the senate and house of representatives having primary jurisdiction over health and human services issues.

C.S.H.B. 1218 requires a state agency that is affected by a provision of the bill to request a federal waiver or authorization if the agency determines that a waiver or authorization is necessary for the implementation of the provision, and it authorizes the agency to delay implementation until the federal waiver or authorization is obtained.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1218 adds a provision not in the original to require the Health and Human Services Commission's (HHSC) to specify guidelines to ensure that information exchanged through the pilot project is used only for the patient's benefit. The substitute adds a provision not in the original authorizing HHSC to accept gifts, grants, and donations from any public or private source for the operation of the pilot project.