

BILL ANALYSIS

C.S.H.B. 2271
By: Truitt
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under existing law, chiropractic clinics may either be owned by a chiropractor who is licensed and regulated by the Texas Board of Chiropractic Examiners or owned by others who are not regulated or licensed by any state agency. There is evidence that non-doctor-of-chiropractic-owned clinics generate a disproportionately higher number of complaints.

C.S.H.B. 2271 provides for the licensing and regulation of non-doctor-of-chiropractic-owned chiropractic clinics by the Texas Board of Chiropractic Examiners.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Board of Chiropractic Examiners in SECTIONS 1 and 2 of this bill.

ANALYSIS

C.S.H.B. 2271 amends the Health and Safety Code to create a non-doctor-of-chiropractic-owned chiropractic clinic license. The bill establishes license application procedures and eligibility and background investigation requirements. The bill requires each license holder to maintain a registered agent for service of process and requires an applicant for an original or renewal license to demonstrate a clinic's net worth in minimum amounts based on the number of employees. The bill specifies the information that may be submitted and the method by which a clinic's net worth may be calculated.

C.S.H.B. 2271 establishes procedures for cooperation between the Texas Department of Insurance, the worker's compensation office of that department, and the attorney general's office to assist the Texas Board of Chiropractic Examiners in implementing the licensing requirements and provides for the use of fees in implementing and enforcing those provisions. The bill authorizes the board to set fees for license applications and renewal, investigations, inspections, and any other administrative or enforcement responsibilities created by these provisions. The bill sets the maximum amount of a license fee at \$3,000. The bill requires the board by rule to determine the form and content of licenses issued and notices required to be posted by each license holder and specifies requirements related to the display of such a license and copies to be provided to the board.

C.S.H.B. 2271 prohibits the assignment of licenses and sets out requirements related to the use of a business name or location by a license holder. The bill requires the board by rule to set the fee for a name change in an amount not to exceed \$50. The bill provides for the custody and maintenance of patient records.

C.S.H.B. 2271 creates administrative and criminal penalties and establishes procedures for disciplinary actions for violations of specified licensing requirements and certain convictions. The bill makes it a Class A misdemeanor to violate licensing requirements. The bill authorizes the board to impose an administrative penalty in an amount not less than \$1,000 per violation,

but not more than \$50,000. The bill establishes procedures for the denial of a license application, denial of a license renewal, and revocation of a license.

C.S.H.B. 2271 defines "applicant," "board," "contracting doctor of chiropractic," "controlling person," "conviction," "doctor of chiropractic," "license holder," "non-doctor-of-chiropractic-owned chiropractic clinic," "assigned employee," "good moral character," and "physician." The bill provides that its provisions do not apply to a physician. The bill requires the board to adopt rules as necessary to administer the licensing requirements not later than November 1, 2009, and makes provisions requiring a license to engage in or offer chiropractic services or chiropractic care at a non-doctor-of-chiropractic-owned clinic and those establishing administrative and civil penalties effective January 1, 2010.

EFFECTIVE DATE

Except as otherwise provided, September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2271 adds provisions not included in the original defining "physician" and exempting a physician from the bill's provisions.

C.S.H.B. 2271 differs from the original by making nonsubstantive clarifying changes.