

BILL ANALYSIS

C.S.H.B. 2712
By: Coleman
Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, an ambulatory surgical center cannot assign or share its license. Authorizing an ambulatory surgical center to assign its license in very limited circumstances will result in better access to quality health care for all Texans and allow such centers to better serve their patients and physicians by fully utilizing the choices paid for and covered under a preferred provider benefit plan and available surgical space.

C.S.H.B. 2712 authorizes an ambulatory surgical center to share its license under a sublicense agreement with a designated physician group under certain circumstances.

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 3 of this bill.

ANALYSIS

Section 531.0055, Government Code, as amended by Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, expressly grants to the executive commissioner of the Health and Human Services Commission all rulemaking authority for the operation of and provision of services by the health and human services agencies. Similarly, Sections 1.16-1.29, Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003, provide for the transfer of a power, duty, function, program, or activity from a health and human services agency abolished by that act to the corresponding legacy agency. To the extent practicable, this bill analysis is written to reflect any transfer of rulemaking authority and to update references as necessary to an agency's authority with respect to a particular health and human services program.

C.S.H.B. 2712 amends the Health and Safety Code to authorize an ambulatory surgical center to share its license under a sublicense agreement with one or more designated physician groups if the ambulatory surgical center remains responsible for ensuring that the facility and all surgical and other ambulatory surgical center services provided in the facility by any designated physician group complies with the Texas Ambulatory Surgical Center Licensing Act and applicable rules and, at least annually, provides the Department of State Health Services (DSHS) with a list of the designated physician groups with which the ambulatory surgical center had entered into use agreements and any other information that DSHS requires by rule about the designated physician groups or use agreements, except that a use agreement may not cover a transaction paid for under the Medicare or Medicaid health program. The bill requires such a use agreement to comply with all applicable federal laws and regulations. The bill requires the executive commissioner of the Health and Human Services Commission by rule to prescribe minimum requirements for a use agreement. The bill defines "designated physician group," "facility," and "use agreement."

C.S.H.B. 2712 amends the Insurance Code to define "ambulatory surgical center" and redefine "provider" and "institutional provider" to make conforming changes. The bill amends the Labor Code to define "ambulatory surgical center" and redefine "health care facility" to make conforming changes.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2712 differs from the original by redefining "use agreement" to omit an ambulatory surgical center that allows a designated physician group to use its facility to provide ambulatory surgical center services on a full-time basis. The substitute adds a provision not included in the original requiring an ambulatory surgical center to provide at least annually the Department of State Health Services with a list of the designated physician groups with which the ambulatory surgical center had entered into use agreements and any other information required by rule.

C.S.H.B. 2712 adds a provision not included in the original prohibiting on a use agreement from covering a transaction paid for under the Medicare or Medicaid health program and requiring a use agreement to comply with all applicable federal laws and regulations. The substitute differs from the original by requiring the adoption of rules to prescribe minimum requirements for a use agreement.

C.S.H.B. 2712 differs from the original to include a designated physician group operating under a use agreement in the term "ambulatory surgical center."