# **BILL ANALYSIS**

C.S.H.B. 1983 By: Kolkhorst Public Health Committee Report (Substituted)

### BACKGROUND AND PURPOSE

There is a growing body of medical knowledge suggesting that a nonmedically indicated labor induction performed on a woman earlier than the 39th week of gestation can lead to potentially harmful consequences. A full-term delivery can help ensure proper organ and brain development, lower rates of chronic diseases, fewer vision and hearing problems, and overall healthier outcomes for newborn children.

According to the Health and Human Services Commission (HHSC), a significant percentage of births in Texas are paid for by the state's Medicaid program. Taking this into consideration, C.S.H.B. 1983 seeks to better ensure healthy outcomes for newborn children by directing HHSC and certain health care providers to develop quality initiatives to reduce the number of elective or nonmedically indicated induced deliveries or cesarean sections performed under the program before the 39th week of gestation.

#### **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. 1983 amends the Human Resources Code to require the Health and Human Services Commission (HHSC) to develop quality initiatives and implement cost-cutting measures designed to reduce the number of elective or nonmedically indicated induced deliveries or cesarean sections performed at a hospital on a Medicaid recipient before the 39th week of gestation. The bill requires HHSC to coordinate with physicians, hospitals, managed care organizations, and the commission's billing contractor for the Medicaid program to develop a process for collecting information regarding the number of such induced deliveries and cesarean sections that occur during prescribed periods.

C.S.H.B. 1983 amends the Health and Safety Code to require a hospital that provides obstetrical services to collaborate with physicians providing services at the hospital to develop quality initiatives to reduce the number of elective or nonmedically indicated induced deliveries or cesarean sections performed at the hospital on a woman before the 39th week of gestation.

C.S.H.B. 1983 requires HHSC to conduct a study to assess the effects of the quality initiatives adopted under the bill's provisions on infant health and frequency of infant admissions to neonatal intensive care units and hospital readmissions for mothers and infants. The bill requires HHSC to submit, not later than December 1, 2012, a written report containing the findings of the study together with the commission's recommendations to the standing committees of the senate and house of representatives having primary jurisdiction over public health. The bill 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

September 1, 2011.

### COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1983 omits provisions included in the original prohibiting the Health and Human Services Commission (HHSC) from reimbursing a Medicaid provider for a nonmedically indicated labor induction performed at a hospital on a woman earlier than the 39th week of gestation and requiring the executive commissioner of HHSC to adopt rules for reimbursing a Medicaid provider for a medically indicated labor induction performed at a hospital on a woman earlier than the 39th week of gestation.

C.S.H.B. 1983 contains provisions not included in the original requiring HHSC to develop quality initiatives and implement cost-cutting measures designed to reduce the number of elective or nonmedically indicated induced deliveries or cesarean sections performed at a hospital on a Medicaid recipient before the 39th week of gestation and to coordinate with certain entities to develop a process for collecting information regarding the number of such induced deliveries and cesarean sections that occur during prescribed periods.

C.S.H.B. 1983 contains a provision not included in the original requiring a hospital that provides obstetrical services to collaborate with physicians providing services at the hospital to develop quality initiatives to reduce the number of elective or nonmedically indicated induced deliveries or cesarean sections performed at the hospital on a woman before the 39th week of gestation.

C.S.H.B. 1983 differs from the original by requiring HHSC to submit a report on findings and recommendations related to its provisions to the standing committees of the senate and house of representatives having primary jurisdiction over public health, whereas the original requires HHSC to submit a report related to its provisions to the standing committees having primary jurisdiction over the Medicaid program.