

## **BILL ANALYSIS**

Senate Research Center  
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C.S.H.B. 1803  
By: Callegari (Huffman)  
Health & Human Services  
5/15/2013  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

To practice medicine in Texas, a physician must possess a current license issued by the Texas Medical Board and be registered with the Department of Public Safety of the State of Texas under the Texas Controlled Substances Act for prescription purposes. However, the fact that current law requires that the license and registration be renewed at different intervals and with different state agencies reportedly has created confusion among physicians and resulted in some physicians regularly forgetting to renew their controlled substances registration. In an effort to address this issue and other concerns raised by public participants in a recent legislative committee policy-making project, C.S.H.B. 1803 provides for a more uniform renewal process with the same licensing entity for a physician renewing a license to practice medicine and a registration under the Texas Controlled Substances Act. C.S.H.B. 1803 streamlines the renewal system so that patient care, prescribing privileges, and hospital admissions, when necessary, are not interrupted.

C.S.H.B. 1803 amends current law relating to the renewal of a controlled substance registration by physicians and changes the payment schedule for a fee.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the director of the Department of Public Safety of the State of Texas (director) is modified in SECTION 3 (Section 481.064, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the director in SECTION 4 (Section 481.0645, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the Texas Medical Board in SECTION 5 (Section 156.0035, Occupations Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 481.061(c), Health and Safety Code, as follows:

(c) Requires a separate registration at each principal place of business or professional practice where the applicant manufactures, distributes, analyzes, dispenses, or possesses a controlled substance, except that the director of the Department of Public Safety of the State of Texas (director) (DPS) or an employee of DPS designated by the director is prohibited from requiring separate registration for a physician licensed under Subtitle B (Physicians), Title 3 (Health Professions), Occupations Code; or a practitioner engaged in research with a nonnarcotic controlled substance listed in Schedules II through V if the registrant is already registered under this subchapter (Regulation of Manufacture, Distribution, and Dispensation of Controlled Substances, Chemical Precursors, and Chemical Laboratory Apparatus) in another capacity. Makes nonsubstantive changes.

SECTION 2. Amends Section 481.063(g), Health and Safety Code, to provide that a registration, except as otherwise provided by Section 481.0645 for a physician licensed under Subtitle B, Title 3, Occupations Code, is valid until the first anniversary of the date of issuance

and to authorize that the registration be renewed annually under rules adopted by the director, unless a rule provides for a longer period of validity or renewal.

SECTION 3. Section 481.064, Health and Safety Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Authorizes the director, except as otherwise provided by Section 481.0645 for a physician licensed under Subtitle B, Title 3, Occupations Code, to charge a nonrefundable fee of not more than \$25 before processing an application for annual registration and to charge a late fee of not more than \$50 for each application for renewal DPS receives after the date the registration expires. Requires registrants, except as provided by Subsection (b) (relating to authorizing the director to authorize a contract between DPS and an appropriate state agency for the collection and remittance of the fees) or Section 156.004, Occupations Code, to pay the fees to the director. Requires the director, not later than 60 days before the date the registration expires, to send a renewal notice to the registrant at the last known address of the registrant according to DPS records, unless the registrant is a physician to whom notice of expiration is provided under Section 156.004, Occupations Code. Makes a nonsubstantive change.

(a-1) Requires the director, notwithstanding Subsection (a), to continue to send renewal notices to registrants who are physicians. Provides that this subsection expires January 1, 2016.

SECTION 4. Amends Subchapter C, Chapter 481, Health and Safety Code, by adding Section 481.0645, as follows:

Sec. 481.0645. REGISTRATION, RENEWAL, AND FEES FOR PHYSICIANS. (a) Provides that the registration under this chapter (Texas Controlled Substances Act) of a physician licensed under Subtitle B, Title 3, Occupations Code, is valid for a period of not less than two years and expires on the same date the physician's registration permit issued by the Texas Medical Board (TMB) under Chapter 156 (Registration of Physicians), Occupations Code, expires.

(a-1) Provides that a registration of a physician licensed under Subtitle B, Title 3, Occupations Code, that is in effect on January 1, 2014, notwithstanding Subsection (a), expires on the date on which the physician's registration permit issued by TMB under Chapter 156, Occupations Code, expires. Provides that this subsection expires January 1, 2017.

(b) Authorizes the director to charge a physician registered under this section a nonrefundable registration fee of not more than \$50 and a late fee for each application submitted after the expiration of the grace period described by Section 156.004(b), Occupations Code.

(c) Authorizes a physician to request the renewal of the physician's registration under this chapter by remitting the information required under Section 481.063 (Registration Application; Issuance or Denial) and the fee required under Subsection (b) to TMB. Requires TMB allow a physician to submit the information and pay the fee electronically.

(d) Requires a physician requesting renewal under this section to meet all eligibility requirements under Section 481.063(e) (relating to authorizing an application for registration to manufacture, distribute, analyze, dispense, or conduct research with a controlled substance to be denied under certain circumstances).

(e) Requires the director to adopt any rules necessary to administer this section. Requires the director to coordinate with TMB in the adoption of rules necessary under this section to prevent any conflicts between rules adopted by the agencies and to ensure that administrative burden to physicians is minimized.

SECTION 5. Amends Subchapter A, Chapter 156, Occupations Code, by adding Section 156.0035, as follows:

Sec. 156.0035. RENEWAL OF CONTROLLED SUBSTANCE REGISTRATION. (a) Requires TMB to accept the renewal application and fee submitted by a physician under Section 481.0645, Health and Safety Code, for a registration under Subchapter C, Chapter 481, Health and Safety Code.

(b) Requires TMB by rule to adopt a procedure for submitting a registration renewal application and remitting the registration fee to DPS.

(c) Requires TMB to coordinate a physician's controlled substance registration renewal with the registration required under this chapter so that the times of registration, payment, and notice are the same and provide a minimum of administrative burden to TMB and to physicians.

SECTION 6. Amends Section 156.004, Occupations Code, as follows:

Sec. 156.004. NOTICE OF EXPIRATION. (a) Creates this subsection from existing text. Requires TMB, at least 60 days before the date on which a physician's registration permit expires, to send to each physician at the physician's last known address according to TMB's records a registration permit renewal application notice; and a renewal notice for the physician's registration with DPS under Subchapter C, Chapter 481, Health and Safety Code. Deletes existing text requiring TMB to send a registration permit renewal application notice to each physician at the physician's last known address according to TMB's records at least 30 days before the expiration date of the registration permit.

(b) Creates this subsection from existing text. Requires TMB to provide for a 30-day grace period for renewing the registration permit from the date of the expiration of the permit.

SECTION 7. (a) Provides that the changes in law made to Subchapter C, Chapter 481, Health and Safety Code, by this Act apply only to a registration under that subchapter that expires on or after the effective date of this Act.

(b) Provides that the changes in law made to Chapter 156, Occupations Code, by this Act apply only to a registration permit under that chapter that expires on or after the effective date of this Act.

(c) Provides that an unexpired registration under Subchapter C, Chapter 481, Health and Safety Code, held by a physician on the effective date of this Act expires on the date on which the registration permit issued to the physician under Chapter 156, Occupations Code, expires.

SECTION 8. Effective date: January 1, 2014.