

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1621
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Health & Human Services
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In response to the closure of more than 70 rural hospitals nationwide since 2013, the federal government is seeking to ensure that individuals residing in rural areas do not lose access to hospital care. S.B. 1621 establishes a new hospital licensure called limited services rural hospital contingent on the federal government creating a payment program for this type of designation. (Original Author's/ Sponsor's Statement of Intent)

C.S.S.B. 1621 amends current law relating to creating a license for certain rural medical facilities; requiring a license; and authorizing fees.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive commissioner of Health and Human Services Commission in SECTION 1 (Sections 241.302 and 241.303, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 241, Health and Safety Code, by adding Subchapter K, as follows:

SUBCHAPTER K. LIMITED SERVICES RURAL HOSPITAL

Sec. 241.301. DEFINITION. Defines "limited services rural hospital."

Sec. 241.302. LICENSE REQUIRED. (a) Prohibits a person from establishing, conducting, or maintaining a limited services rural hospital unless:

(1) the United States Congress passes a bill creating a payment program specifically for limited services rural hospitals or similarly designated hospitals that becomes law; and

(2) the Health and Human Services Commission (HHSC) issues a license to the person to establish, conduct, or maintain a limited services rural hospital under this subchapter.

(b) Requires HHSC, if the United States Congress enacts a bill described by Subsection (a)(1) that becomes law, to adopt rules establishing minimum standards for the facilities and implementing this section.

(c) Requires the standards adopted under Subsection (b) to be at least as stringent as the standards established in the law described by Subsection (a) for eligibility to qualify for a payment program established by the law.

(d) Requires applicant under this section to submit an application for the license to HHSC in a form and manner prescribed by HHSC and pay any required fee.

(e) Requires HHSC to issue a license to act as a limited services rural hospital under this subchapter if the applicant complies with the rules and standards adopted under this section.

(f) Authorizes HHSC by order to waive or modify the requirement of a particular provision of this chapter (Hospitals) or a standard adopted under this section if HHSC determines that the waiver or modification will facilitate the creation or operation of the facility and that the waiver or modification is in the best interests of the individuals served or to be served by the facility. Provide that Sections 241.026(d) (relating to requiring the executive commissioner of HHSC to adopt rules establishing procedures and criteria for the issuance of the waiver or modification order that meet certain criteria) and (e) (relating to required documentation to support a waiver or modification order) apply to a waiver or modification under this section for a limited services rural hospital in the same manner as the subsections apply to a waiver or modification for a hospital.

(g) Provides that a provision of this chapter related to the enforcement authority of HHSC applies to a limited services rural hospital.

Sec. 241.303. LICENSING FEE. (a) Requires the executive commissioner by rule to establish and requires HHSC to collect a fee for issuing and renewing a license under this subchapter that is in an amount reasonable and necessary to cover the costs of administering and enforcing this subchapter.

(b) Requires all fees adopted under this section to be deposited in the state treasury to credit of HHSC to administer and enforce this subchapter.

SECTION 2. Effective date: September 1, 2019.