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S.B. No. 1621

A BILL TO BE ENTITLED

AN ACT

relating to creating a license for certain rural medical facilities; requiring a license; authorizing fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 241, Health and Safety Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. LIMITED SERVICES RURAL HOSPITAL

Sec. 241.301. DEFINITION. In this subchapter, "limited services rural hospital" means a general or special hospital that is or was licensed under this chapter and that:

(1) is:

(A) located in a rural area, as defined by:

(i) commission rule; or

(ii) 42 U.S.C. Section 1395ww(d)(2)(D); or

(B) designated by the Centers for Medicare and Medicaid Services as a critical access hospital, rural referral center, or sole community hospital; and

(2) otherwise meets the requirements to be designated as a limited services rural hospital or a similarly designated hospital under federal law for purposes of a payment program described by Section 241.302(a)(1).

Sec. 241.302. LICENSE REQUIRED. (a) A person may not establish, conduct, or maintain a limited services rural hospital unless:

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

4 (2) the commission issues a license to the person to
5 establish, conduct, or maintain a limited services rural hospital
6 under this subchapter.

7 (b) If the United States Congress enacts a bill described by
8 Subsection (a)(1) that becomes law, the executive commissioner
9 shall adopt rules:

10 (1) establishing minimum standards for the
11 facilities; and

12 (2) implementing this section.

13 (c) The standards adopted under Subsection (b) must be at
14 least as stringent as the standards established in the law
15 described by Subsection (a) for eligibility to qualify for a
16 payment program established by the law.

17 (d) An applicant for a license under this section must:

18 (1) submit an application for the license to the
19 commission in a form and manner prescribed by the commission; and

20 (2) pay any required fee.

21 (e) The commission shall issue a license to act as a limited
22 services rural hospital under this subchapter if the applicant
23 complies with the rules and standards adopted under this section.

24 (f) The commission by order may waive or modify the
25 requirement of a particular provision of this chapter or a standard
26 adopted under this section if the commission determines that the
27 waiver or modification will facilitate the creation or operation of

1 the facility and that the waiver or modification is in the best
2 interests of the individuals served or to be served by the facility.
3 Sections 241.026(d) and (e) apply to a waiver or modification under
4 this section for a limited services rural hospital in the same
5 manner as the subsections apply to a waiver or modification for a
6 hospital.

7 (g) A provision of this chapter related to the enforcement
8 authority of the commission applies to a limited services rural
9 hospital.

10 Sec. 241.303. LICENSING FEE. (a) The executive
11 commissioner by rule shall establish and the commission shall
12 collect a fee for issuing and renewing a license under this
13 subchapter that is in an amount reasonable and necessary to cover
14 the costs of administering and enforcing this subchapter.

15 (b) All fees collected under this section shall be deposited
16 in the state treasury to the credit of the commission to administer
17 and enforce this subchapter.

18 SECTION 2. This Act takes effect September 1, 2019.