

BILL ANALYSIS

H.B. 2298
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Lung cancer is the deadliest cancer in the United States, causing more deaths than colon, prostate, and breast cancers combined. Yet screening rates around the country remain critically low—only 6–10% of eligible individuals are screened, compared to 65–70% for other major cancers, leading to late-stage diagnoses and reduced survival rates. The bill author has informed the committee that new artificial intelligence tools, combined with physician oversight, can help detect cancerous nodules earlier and track them over time. H.B. 2298 proposes a pilot program to evaluate this technology, aiming to improve early detection, save lives, and reduce long-term health care costs in Texas.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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 1 of this bill.

ANALYSIS

H.B. 2298 amends the Health and Safety Code to require the Health and Human Services Commission (HHSC) to establish and administer the artificial intelligence (AI) cancer detection grant program to assist qualified applicants in using AI technology to scan medical images for cancer detection. The bill defines "qualified applicant" as a hospital or health care facility, including a federally qualified health center, located in Texas that provides medical imaging services. The bill requires HHSC to prescribe the form and manner for a qualified applicant to apply for a grant under the grant program and requires a submitted application to include the following information:

- evidence the applicant will provide matching funds in an amount equal to at least 10 percent of the grant award amount for the proposed AI technology;
- a detailed plan for using the proposed AI technology to scan medical images to detect cancer, including the manner in which the grant money will be used and the total anticipated cost of using the technology;
- a plan for physician review of medical results identified through AI to ensure accuracy and efficacy;
- the number of patient records the proposed AI technology is capable of scanning and the estimated time required for each scan; and
- any other information HHSC requires to assess the applicant's eligibility and the potential impact of the proposed AI technology.

H.B. 2298 authorizes HHSC to award grants each state fiscal year to qualified applicants but only in accordance with a contract between HHSC and a grant recipient that includes conditions providing HHSC with sufficient control to ensure the public purpose of improving public health is accomplished and the state receives a return benefit. The bill requires a grant award under the program to be awarded annually and caps the amount of a grant at \$250,000 and the number of recipients at five.

H.B. 2298 requires a grant recipient, not later than the first anniversary of the date the recipient receives a grant, to provide a written report to HHSC that includes the following information:

- the number of medical images scanned and cancer cases identified using the AI technology for which the grant was awarded;
- any change in cancer detection rates and the time required to detect cancer as a result of the AI technology;
- an assessment on the comparative effectiveness of the AI technology versus traditional methods for detecting cancer; and
- any recommendations for further AI use or improvement of the use of AI technology in scanning medical imaging to detect cancer.

H.B. 2298 requires the executive commissioner of HHSC to adopt the rules necessary to implement the program. The bill authorizes HHSC to accept gifts, grants, and donations from any source to administer the program established under the bill's provisions and to use a portion of the money appropriated to HHSC for purposes of the program to cover the costs of administering the program. The bill's provisions expire September 1, 2035.

EFFECTIVE DATE

September 1, 2025.