

BILL ANALYSIS

Senate Research Center
81R14512 ALB-D

H.B. 1218
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Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under the federal Deficit Reduction Act and the Texas Government Code, the Health and Human Services Commission (HHSC) is required to improve efficiency of the Medicaid program. One approach that has proven viable is the use of electronic health records. HHSC has already developed an electronic medical record for children in the foster care program called a health passport, and efforts are underway to expand the use of health passports to all Medicaid clients.

Community groups have also recognized the benefits of electronic records, and several organizations in Texas are developing or have developed health information exchanges to capture patient data, in accordance with HIPAA and other federal and state privacy laws, on demographics, encounters, medications, and other related topics. Health information exchanges have access to a diverse group of providers, and the information they collect can be used to test and measure the effectiveness of new health care delivery models as well as identify ways to decrease costs and increase access to care.

This bill directs HHSC to establish a pilot program with at least two local or regional health information exchanges to determine the feasibility, costs, and benefits of exchanging secure electronic health information between HHSC and a health information exchange.

H.B. 1218 relates to a pilot project to exchange secure electronic health information HHSC and local or regional health information exchanges.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 531, Government Code, by adding Section 531.02416, as follows:

Sec. 531.02416. ELECTRONIC HEALTH INFORMATION EXCHANGE PILOT PROJECT. (a) Requires the Health and Human Services Commission (HHSC) to establish a pilot project in at least one urban area of this state to determine the feasibility, costs, and benefits of exchanging secure electronic health information between HHSC and local or regional health information exchanges. Requires that the pilot program include the participation of at least two local or regional health information exchanges.

(b) Requires that a local or regional health information exchange selected for the pilot project under this section possess a functioning health information exchange database that exchanges secure electronic health information among hospitals, clinics, physicians' offices, and other health care providers that are not each owned by a single entity or included in a single operational unit or network. Requires that the information exchanged by the local or regional health information exchange include health information for patients receiving services from state and federal health and human services programs administered by HHSC.

(c) Requires HHSC, in developing the pilot project under this section, to:

(1) establish specific written guidelines, in conjunction with the health information exchanges participating in the pilot project, to ensure that information exchanged through the pilot project is used only for the patient's benefit and specify which health care providers will use which data elements obtained from HHSC and for what purposes, including purposes related to reducing costs, improving access, and improving quality of care for patients; and

(2) ensure compliance with all state and federal laws and rules related to the transmission of health information, including state privacy laws and the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and rules adopted under that Act.

(d) Requires HHSC and the health information exchanges participating in the pilot project to at a minimum exchange a patient's medication history under the pilot project. Authorizes the pilot project to include additional health care information, either at the inception of the project or as a subsequent expansion of the scope of the project.

(e) Authorizes HHSC to accept, gifts, grants, and donations from any public or private source for the operation of the pilot program.

SECTION 2. Requires HHSC, not later than the 60th day after the effective date of this Act, to begin implementing the pilot project established under Section 531.02416, Government Code, as added by this Act.

SECTION 3. Requires HHSC, not later than December 1, 2010, to:

(1) assess, in conjunction with the health information exchanges selected for participation in the pilot project established under Section 531.02416, Government Code, as added by this Act, the benefits to the state, patients, and health care providers of exchanging secure health information with local or regional health information exchanges;

(2) include, as part of the assessment required by Subdivision (1) of this section, a return on investment analysis for the guidelines developed under Section 531.02416(c)(1), Government Code, as added by this Act; and

(3) report HHSC's findings to the standing committees of the senate and house of representatives having primary jurisdiction over health and human services issues.

SECTION 4. Requires HHSC, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes delay of implementation until such waivers or authorizations are granted.

SECTION 5. Effective date: upon passage or September 1, 2009.