BILL ANALYSIS

Senate Research Center 81R28772 PB-F

C.S.S.B. 2151 By: Patrick, Dan Health & Human Services 4/29/2009 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, an ambulatory surgical center cannot assign or share a license. Authorizing an ambulatory surgical center to assign its license under very limited circumstances will result in better access to quality health care for all Texans and allow such centers to better serve their patients and physicians by fully utilizing the choices paid for and covered under a preferred provider benefit plan and available surgical space.

C.S.S.B. 2151 amends current law relating to ambulatory surgical centers and to the provision of services at those centers by certain designated physician groups.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to Department of State Health Services is granted in SECTION 3 (Section 243.003, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 243.002, Health and Safety Code, by amending Subdivision (3) and adding Subdivisions (3-a), (3-b), and (5), to redefine "department" and to define "designated physician group," "facility," and "use agreement."

SECTION 2. Amends the heading to Section 243.003, Health and Safety Code, to read as follows:

Sec. 243.003. LICENSE REQUIRED; USE AGREEMENTS.

SECTION 3. Amends Section 243.003, Health and Safety Code, by amending Subsection (c) and adding Subsection (d), as follows:

- (c) Creates an exception under Subsection (d).
- (d) Authorizes an ambulatory surgical center, except as provided by Subsection (e), to share its license under a sublicense agreement with one or more designated physician groups that is entered into under the terms of a use agreement, if the ambulatory surgical center remains responsible for ensuring that the facility and all surgical and other ambulatory surgical center services provided in the facility by any designated physician group complies with this chapter and applicable Department of State Health Services (DSHS) rules; and at least annually, provides DSHS with a list of the designated physician groups with which the ambulatory surgical center has entered into use agreements; and any other information that DSHS requires by rule about the designated physician groups or use agreements.
- (e) Prohibits a use agreement under Subsection (d) from covering a transaction paid for under the Medicare or Medicaid health program.
- (f) Requires that a use agreement entered into under this section comply with all applicable federal laws and regulations.
- (g) Requires DSHS by rule to prescribe minimum requirements for a use agreement entered into under this chapter.

SECTION 4. Amends Section 843.002, Insurance Code, by adding Subdivision (1-a) and amending Subdivision (24), to define "ambulatory surgical center" and to redefine "provider."

SECTION 5. Amends Section 1301.001, Insurance Code, by amending Subdivisions (1) and (4) and adding Subdivision (1-a), as follows:

- (1) Defines "ambulatory surgical center."
- (1-a) Creates this subdivision from existing text. Makes no change to this definition.
- (4) Redefines "institutional provider."

SECTION 6. Amends Section 401.011, Labor Code, by adding Subdivision (4-a) and amending Subdivision (20), to define "ambulatory surgical center" and to redefine "health care facility."

SECTION 7. Makes application of this Act prospective.

SECTION 8. Effective date: September 1, 2009.