

BILL ANALYSIS

Senate Research Center
82R7397 EES-F

S.B. 1449
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Health & Human Services
4/25/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires a licensed health care facility to undergo state inspections in order to renew a license for that facility. Chemical dependency treatment facilities, that already are accredited by outside organizations such as the Joint Committee on Accreditation of Health Organizations (JCAHO) or the Commission on Accreditation of Rehabilitation Facilities (CARF), whose standards for accreditation are higher than the state's standards, must undergo multiple inspections for renewal of their licenses. Similar statutes exist for other licensed facilities, such as hospitals, nursing homes, and rehabilitation facilities, but not for chemical dependency treatment facilities.

Currently, many chemical dependency treatment facilities go through two inspections, one for the state for license renewal and one for the accreditation commissions (JCAHO and CARF) that they wish to be recognized by. This results in unnecessary administrative costs and burdens that could be removed if accreditation from the outside commissions was accepted for license renewal. Allowing chemical dependency treatment facilities with JCAHO or CARF accreditation to forego a duplicative site visit also would reduce state expenses by eliminating the need for a state inspection.

The site visits and requirements for those outside accreditations meet and surpass state requirements for those facilities. For this reason, many other licensed health care facilities, including hospitals and nursing homes, may forego state inspections as part of their license renewal if they provide evidence that they are accredited by outside organizations. However, chemical dependency facilities do not have this option.

Allowing facilities with JCAHO or CARF accreditation to forego a duplicative site visit serves three purposes: it reduces state expenses by eliminating the need for a state inspection; it reduces administrative costs and burdens for those facilities that would otherwise go through two inspections; and it provides an incentive for licensed facilities to obtain the heightened accreditation standard, resulting in increased quality and safety for patients.

As proposed, S.B. 1449 amends current law relating to an alternative method of satisfying certain licensing and program participation requirements for chemical dependency treatment facilities.

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 Section 464.005(b), Health and Safety Code, to authorize the Department of State Health Services (DSHS), rather than the Texas Commission on Alcohol and Drug Abuse, to require an inspection before renewing a license, unless the applicant submits an accreditation review from the Commission on Accreditation and Rehabilitation Facilities or the Joint Commission (accreditation commission) in accordance with Section 464.0055.

SECTION 2. Amends Subchapter A, Chapter 464, Health and Safety Code, by adding Section 464.0055, as follows:

Sec. 464.0055. ACCREDITATION REVIEW TO SATISFY INSPECTION OR CERTIFICATION REQUIREMENTS. (a) Defines, in this section, "accreditation commission" and "department."

(b) Requires DSHS to accept an annual accreditation review from an accreditation commission for a treatment facility instead of an inspection for renewal of a license under Section 464.005 (License Renewal) and in satisfaction of the requirements for certification by DSHS for participation in the medical assistance program under Chapter 32 (Medical Assistance Program), Human Resources Code, and the federal Medicare program, but only if:

(1) the treatment facility is accredited by the accreditation commission under its behavioral health standards or the accreditation commission under its behavioral health care standards;

(2) the accreditation commission maintains an annual inspection or review program that, for each treatment facility, meets DSHS's applicable minimum standards;

(3) the accreditation commission conducts an annual on-site inspection or review of the treatment facility;

(4) the treatment facility submits to DSHS a copy of its annual accreditation review from the accreditation commission in addition to the application, fee, and any report required for renewal of a license or for certification, as applicable; and

(5) DSHS has:

(A) determined whether a waiver or authorization from a federal agency is necessary under federal law, including for federal funding purposes, before DSHS accepts an annual accreditation review from the accreditation commission:

(i) instead of an inspection for license renewal purposes;

(ii) as satisfying the requirements for certification by DSHS for participation in the medical assistance program; or

(iii) as satisfying the requirements for certification by DSHS for participation in the federal Medicare program; and

(B) obtained any necessary federal waivers or authorizations.

(c) Provides that, except as specifically provided by this section, this section does not limit DSHS in performing any duties and inspections authorized by this chapter or under any contract relating to the medical assistance program under Chapter 32, Human Resources Code, and Titles XVIII and XIX of the Social Security Act (42 U.S.C. Sections 1395 et seq. and 1396 et seq.), including authority to take appropriate action relating to a treatment facility, such as closing the treatment facility.

(d) Provides that this section does not require a treatment facility to obtain accreditation from an accreditation commission.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2011.