# **BILL ANALYSIS**

Senate Research Center 86R7574 JG-F S.B. 748 By: Kolkhorst Health & Human Services 3/1/2019 As Filed

### AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The highest volume area of the Department of State Health Services (DSHS) public health laboratory is newborn screenings. The lab tests 400,000 infants per year for 53 disorders or medical conditions. Chapter 33, Health and Safety Code, requires DSHS to follow the Recommended Uniform Screening Panel of the Secretary's Advisory Committee on Heritable Disorders in Newborns and Children as state funding allows. The federal screening panel currently recommends 61 core and secondary disorders. There is currently a gap in funding to maintain current laboratory testing, much less expand to the federally recommended screenings.

In addition, the lab is in disrepair and needs equipment upgrades, maintenance improvements, and enhancements to continue screenings at current levels.

S.B. 748 would create a dedicated account for newborn screenings to establish a consistent and long-term funding stream to repair, upgrade, and expand screenings conducted by the lab.

As proposed, S.B. 748 amends current law relating to newborn screening and the newborn screening preservation account.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the executive commissioner of the Health and Human Services Commission (executive commissioner) is modified in SECTION 1 (Section 33.004, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the executive commissioner in SECTION 3 of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 33.004(f), Health and Safety Code, as follows:

(f) Requires, rather than authorizes, the executive commissioner of the Health and Human Services Commission (executive commissioner) by rule to establish the amounts charged for newborn screening fees, including fees assessed for follow-up services, tracking confirmatory testing, and diagnosis. Requires the executive commissioner, in adopting rules under this subsection, to ensure that amounts charged for newborn screening fees are sufficient to cover the costs of performing the screening.

SECTION 2. Amends Chapter 33, Health and Safety Code, by adding Subchapter D, as follows:

#### SUBCHAPTER D. NEWBORN SCREENING PRESERVATION ACCOUNT

Sec. 33.051. DEFINITION. Defines "account" for purposes of this subchapter.

Sec. 33.052. CREATION OF ACCOUNT. (a) Provides that the newborn screening preservation account is a dedicated account in the general revenue fund. Authorizes money in the account to be appropriated only to the Department of State Health Services (DSHS) and only for the purpose of carrying out the newborn screening program established under this chapter.

(b) Requires the comptroller of public accounts of the State of Texas, on November 1 of each year, to transfer to the account any unexpended and unencumbered money from Medicaid reimbursements collected by DSHS for newborn screening services during the preceding state fiscal year.

(c) Provides that the account is composed of money transferred to the account under Subsection (b), gifts, grants, donations, and legislative appropriations, and interest earned on the investment of money in the account.

(d) Provides that Section 403.0956 (Reallocation of Interest Accrued on Certain Dedicated Revenue), Government Code, does not apply to the account.

(e) Provides that DSHS administers the account. Authorizes DSHS to solicit and receive gifts, grants, and donations from any source for the benefit of the account.

Sec. 33.053. DEDICATED USE. (a) Authorizes DSHS to use any money remaining in the account after paying the costs of operating the newborn screening program established under this chapter only to pay the costs of offering additional newborn screening tests not offered under this chapter before September 1, 2019, including the operational costs incurred during the first year of implementing the additional tests, and to pay for capital assets, equipment, and renovations for the laboratory established by the department to ensure the continuous operation of the newborn screening program.

(b) Prohibits DSHS from using money from the account for general operating expenses of DSHS.

Sec. 33.054. REPORT. Requires DSHS, if DSHS requires an additional newborn screening test under Subchapter B (Newborn Screening) the costs of which are funded with money appropriated from the newborn screening preservation account, not later than December 31 of the first even-numbered year following the addition of the test, to prepare and submit a written report regarding the actions taken by DSHS to fund and implement the test during the preceding two years to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the legislature having primary jurisdiction over DSHS.

SECTION 3. Requires the executive commissioner, as soon as practicable after the effective date of this Act, to adopt rules as necessary to implement the changes in law made by this Act.

SECTION 4. Effective date: September 1, 2019.