

BILL ANALYSIS

C.S.H.B. 1148
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Public Health
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties indicate that the responsibilities of each trauma service area regional advisory council continue to grow as the state's population grows. C.S.H.B. 1148 seeks to address potential needs and the trajectory of the emergency health care system by providing for an administrative cooperative system to support and increase efficiencies of the trauma service area regional advisory councils.

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

ANALYSIS

C.S.H.B. 1148 amends the Health and Safety Code to require the Department of State Health Services (DSHS) to designate eight or more administrative cooperatives to provide administrative functions for each trauma service area regional advisory council located in the public health region served by the cooperative. The bill authorizes a trauma service area regional advisory council to apply to DSHS in accordance with DSHS rules to be designated as an administrative cooperative for other trauma service area regional advisory councils in the public health region. The bill requires an applicant to demonstrate the applicant has the personnel, knowledge, skills, and resources necessary to provide the administrative functions for each trauma service area regional advisory council in the applicant's public health region.

C.S.H.B. 1148 requires an applicant to submit an initial application not later than September 1, 2018. The bill requires DSHS to designate a qualified applicant to serve as the administrative cooperative not later than September 1, 2019, and requires an applicant so designated to carry out the duties imposed by the bill's provisions as soon as practicable after the selection and not later than September 1, 2020. These requirements expire September 1, 2021.

C.S.H.B. 1148 requires DSHS to designate the trauma service area regional advisory council with the most appropriate qualifications in a public health region to serve as the administrative cooperative for that region if an eligible trauma service area regional advisory council has not applied for the designation in that region. The bill requires an administrative cooperative to perform all administrative functions, including contract management, grant application management, employee benefit management, human resource management, and payroll, for each trauma service area regional advisory council under the cooperative's jurisdiction and specifies that administrative functions do not include program activities or activity coordination performed

by a trauma service area regional advisory council under the administrative cooperative's jurisdiction. The bill requires DSHS to directly contract with an administrative cooperative for the required administrative duties provided by the cooperative. The bill requires an administrative cooperative to administer and distribute funds to each trauma service area regional advisory council under the cooperative's jurisdiction in accordance with DSHS rules and requires the executive commissioner of the Health and Human Services Commission in adopting those rules to require that an administrative cooperative distribute funds according to a trauma service area regional advisory council's population, annual number of trauma care runs, geographic size, and annual number of deaths. The bill requires an administrative cooperative to enter into a centralized purchasing agreement with the trauma service area regional advisory councils under the cooperative's jurisdiction and other cooperatives to consolidate purchases for the trauma service area regional advisory councils as appropriate and to submit to DSHS in the manner required by DSHS an annual report on the amount of money spent by the administrative cooperative in providing consolidated administrative services for the trauma service area regional advisory councils under the cooperative's jurisdiction compared to the amount of money that would have been spent if each trauma service area regional advisory council had provided its own administrative services.

C.S.H.B. 1148 authorizes a trauma service area regional advisory council to apply to DSHS in accordance with DSHS rules for a transfer from the jurisdiction of the trauma service area regional advisory council's administrative cooperative to the jurisdiction of another administrative cooperative that is willing and capable of providing administrative services for the trauma service area regional advisory council in a more cost-effective manner than the current administrative cooperative is able to provide the services. The bill requires the executive commissioner to develop criteria for determining whether an administrative cooperative has the personnel, knowledge, skills, and resources necessary to provide administrative services in a more cost-effective manner for a trauma service area regional advisory council applying for a transfer to that administrative cooperative's jurisdiction. The bill authorizes a trauma service area regional advisory council to file a written request with DSHS to retain an administrative function that has been delegated to an administrative cooperative and requires the request to include evidence that the trauma service area regional advisory council has the personnel, knowledge, skills, and resources necessary to perform the administrative function in a more cost-effective manner than the function is being performed by the administrative cooperative. The bill requires DSHS to grant a request that includes sufficient evidence for DSHS to determine that the trauma service area regional advisory council has the required personnel, knowledge, skills, and resources and to notify the administrative cooperative of that decision.

C.S.H.B. 1148 requires the administrative cooperatives, in consultation with each trauma service area regional advisory council and the DSHS advisory council established to advise DSHS regarding matters related to emergency health care services, to collectively develop a written 25-year plan for coordinating emergency health care services throughout Texas that includes strategies to provide services for certain specified areas of care and emergency medical services coordination. The bill adds a temporary provision set to expire September 1, 2022, to require the administrative cooperatives and advisory councils to develop and submit the plan to DSHS not later than September 1, 2021.

C.S.H.B. 1148 requires the executive commissioner in consultation with DSHS to conduct every seven years a comprehensive review of the rules regarding the minimum standards and objectives for emergency medical services and trauma care systems. The bill requires the executive commissioner to adopt all rules necessary to implement the change in law made by the bill not later than January 1, 2018.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1148 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter B, Chapter 773, Health and Safety Code, is amended by adding Section 773.026 to read as follows:

Sec. 773.026. EMERGENCY MEDICAL SERVICES COORDINATION PLAN. (a) The administrative hubs designated under Section 773.125, in consultation with each trauma service area regional advisory council and the advisory council established by Section 773.012, shall collectively develop a written 25-year plan for coordinating emergency medical services throughout this state.

(b) The emergency medical services coordination plan must include strategies to provide services for:

- (1) stroke;
- (2) ST-elevation myocardial infarction;
- (3) neonatal care;
- (4) maternal care;
- (5) mental health care; and

(6) any other area of care provided under the authority of a trauma service area regional advisory council.

(c) The administrative hubs shall develop and submit the emergency medical services coordination plan to the department not later than September 1, 2021. This subsection expires September 1, 2022.

SECTION 2. Section 773.112, Health and Safety Code, is amended.

SECTION 3. Subchapter E, Chapter 773, Health and Safety Code, is amended by adding Sections 773.125, 773.126, 773.127, and 773.128 to read as follows:

Sec. 773.125. ADMINISTRATIVE HUBS: DESIGNATION. (a) The department shall designate eight administrative hubs to provide administrative functions for each

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter B, Chapter 773, Health and Safety Code, is amended by adding Section 773.026 to read as follows:

Sec. 773.026. EMERGENCY HEALTH CARE SERVICES COORDINATION PLAN. (a) The administrative cooperatives designated under Section 773.125, in consultation with each trauma service area regional advisory council and the advisory council established by Section 773.012, shall collectively develop a written 25-year plan for coordinating emergency health care services throughout this state.

(b) The emergency health care services coordination plan must include strategies to provide services for:

- (1) trauma care;
- (2) stroke care;
- (3) cardiac care;
- (4) neonatal care;
- (5) maternal care;
- (6) mental health crisis care;
- (7) emergency medical services coordination; and

(8) any other area of care provided under the authority of a trauma service area regional advisory council.

(c) The administrative cooperatives and advisory councils shall develop and submit the emergency health care services coordination plan to the department not later than September 1, 2021. This subsection expires September 1, 2022.

SECTION 2. Same as introduced version.

SECTION 3. Subchapter E, Chapter 773, Health and Safety Code, is amended by adding Sections 773.125, 773.126, 773.127, and 773.128 to read as follows:

Sec. 773.125. ADMINISTRATIVE COOPERATIVES: DESIGNATION. (a) The department shall designate eight or more administrative cooperatives to provide

trauma service area regional advisory council located in the public health region served by the hub.

(b) A health care entity, including a trauma service area regional advisory council, in a public health region may apply to the department in accordance with department rules to be designated as an administrative hub for the trauma service area regional advisory councils in the public health region.

(c) An applicant must demonstrate the applicant has the personnel, knowledge, skills, and resources necessary to provide the administrative functions for each trauma service area regional advisory council in the applicant's public health region.

(c-1) An applicant must submit an initial application under Subsection (b) not later than September 1, 2018. The department shall designate a qualified applicant to serve as the administrative hub not later than September 1, 2019. An applicant designated to serve as an administrative hub under this subsection shall carry out the duties imposed by Section 773.126 as soon as practicable after the selection and not later than September 1, 2020. This subsection expires September 1, 2021.

(d) If a health care entity eligible to serve as an administrative hub under this section has not applied for the designation in a public health region, the department shall designate the health care entity with the most appropriate qualifications in the public health region to serve as the administrative hub for that region.

Sec. 773.126. ADMINISTRATIVE HUBS: DUTIES. (a) Except as provided by Section 773.128, an administrative hub shall perform all administrative functions, including contract management, grant application management, and payroll, for each trauma service area regional advisory council under the hub's jurisdiction.

administrative functions for each trauma service area regional advisory council located in the public health region served by the cooperative.

(b) A trauma service area regional advisory council may apply to the department in accordance with department rules to be designated as an administrative cooperative for other trauma service area regional advisory councils in the public health region.

(c) An applicant must demonstrate the applicant has the personnel, knowledge, skills, and resources necessary to provide the administrative functions for each trauma service area regional advisory council in the applicant's public health region.

(c-1) An applicant must submit an initial application under Subsection (b) not later than September 1, 2018. The department shall designate a qualified applicant to serve as the administrative cooperative not later than September 1, 2019. An applicant designated to serve as an administrative cooperative under this subsection shall carry out the duties imposed by Section 773.126 as soon as practicable after the selection and not later than September 1, 2020. This subsection expires September 1, 2021.

(d) If a trauma service area regional advisory council eligible to serve as an administrative cooperative under this section has not applied for the designation in a public health region, the department shall designate the trauma service area regional advisory council with the most appropriate qualifications in the public health region to serve as the administrative cooperative for that region.

Sec. 773.126. ADMINISTRATIVE COOPERATIVES: DUTIES. (a) Except as provided by Section 773.128, an administrative cooperative shall perform all administrative functions, including contract management, grant application management, employee benefit management, human resource management, and payroll, for each trauma service area regional advisory council under the cooperative's jurisdiction. Administrative functions do not include program activities or activity coordination performed by a trauma service area regional advisory

(b) The department shall directly contract with an administrative hub for administrative duties provided by the hub as required by this section.

(c) An administrative hub shall administer and distribute funds to each trauma service area regional advisory council under the hub's jurisdiction in accordance with department rules. In adopting rules under this subsection, the executive commissioner shall require that an administrative hub distribute funds according to a trauma service area regional advisory council's population, annual number of trauma care runs, geographic size, and annual number of deaths.

(d) An administrative hub shall enter into a centralized purchasing agreement with the trauma service area regional advisory councils under the hub's jurisdiction to consolidate purchases for the trauma service area regional advisory councils as appropriate.

(e) An administrative hub shall submit to the department in the manner required by the department an annual report on the amount of money spent by the administrative hub in providing consolidated administrative services for the trauma service area regional advisory councils under the hub's jurisdiction compared to the amount of money that would have been spent if each trauma service area regional advisory council had provided its own administrative services.

Sec. 773.127. ADMINISTRATIVE HUBS: TRANSFER OF TRAUMA SERVICE AREA REGIONAL ADVISORY COUNCILS. (a) A trauma service area regional advisory council may apply to the department in accordance with department rules for a transfer from the jurisdiction of the trauma service area regional advisory council's administrative hub to the jurisdiction of an administrative hub in an adjacent public health region.

council under the administrative cooperative's jurisdiction.

(b) The department shall directly contract with an administrative cooperative for administrative duties provided by the cooperative as required by this section.

(c) An administrative cooperative shall administer and distribute funds to each trauma service area regional advisory council under the cooperative's jurisdiction in accordance with department rules. In adopting rules under this subsection, the executive commissioner shall require that an administrative cooperative distribute funds according to a trauma service area regional advisory council's population, annual number of trauma care runs, geographic size, and annual number of deaths.

(d) An administrative cooperative shall enter into a centralized purchasing agreement with the trauma service area regional advisory councils under the cooperative's jurisdiction and other cooperatives to consolidate purchases for the trauma service area regional advisory councils as appropriate.

(e) An administrative cooperative shall submit to the department in the manner required by the department an annual report on the amount of money spent by the administrative cooperative in providing consolidated administrative services for the trauma service area regional advisory councils under the cooperative's jurisdiction compared to the amount of money that would have been spent if each trauma service area regional advisory council had provided its own administrative services.

Sec. 773.127. ADMINISTRATIVE COOPERATIVES: TRANSFER OF TRAUMA SERVICE AREA REGIONAL ADVISORY COUNCILS. (a) A trauma service area regional advisory council may apply to the department in accordance with department rules for a transfer from the jurisdiction of the trauma service area regional advisory council's administrative cooperative to the jurisdiction of another administrative cooperative that is willing and capable of providing administrative services for the trauma service area regional advisory council in a more cost-effective manner than the current administrative cooperative is able to provide the services.

(b) The executive commissioner shall develop criteria for determining whether an administrative hub has the personnel, knowledge, skills, and resources necessary to provide administrative support for a trauma service area regional advisory council applying for a transfer to that administrative hub's jurisdiction under this subsection.

Sec. 773.128. ADMINISTRATIVE HUBS: REQUEST BY TRAUMA SERVICE AREA REGIONAL ADVISORY COUNCIL TO RETAIN CERTAIN ADMINISTRATIVE FUNCTIONS. (a) A trauma service area regional advisory council may file a written request with the department to retain an administrative function that has been delegated to an administrative hub. The request must include evidence that the trauma service area regional advisory council has the personnel, knowledge, skills, and resources necessary to perform the administrative function in a more cost-effective manner than the function is being performed by the administrative hub.

(b) The department shall grant the request and notify the administrative hub of the department's decision if the request includes sufficient evidence for the department to determine whether the trauma service area regional advisory council has the personnel, knowledge, skills, and resources required by this section.

SECTION 4. The executive commissioner of the Health and Human Services Commission shall adopt all rules necessary to implement the change in law made by this Act not later than January 1, 2018.

SECTION 5. The change in law made by this Act applies only to a contract executed on or after the effective date of this Act. A contract executed before the effective date of this Act is governed by the law applicable to the contract immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 2017.

(b) The executive commissioner shall develop criteria for determining whether an administrative cooperative has the personnel, knowledge, skills, and resources necessary to provide administrative services in a more cost-effective manner for a trauma service area regional advisory council applying for a transfer to that administrative cooperative's jurisdiction under this section.

Sec. 773.128. ADMINISTRATIVE COOPERATIVES: REQUEST BY TRAUMA SERVICE AREA REGIONAL ADVISORY COUNCIL TO RETAIN CERTAIN ADMINISTRATIVE FUNCTIONS. (a) A trauma service area regional advisory council may file a written request with the department to retain an administrative function that has been delegated to an administrative cooperative. The request must include evidence that the trauma service area regional advisory council has the personnel, knowledge, skills, and resources necessary to perform the administrative function in a more cost-effective manner than the function is being performed by the administrative cooperative.

(b) The department shall grant a request that includes sufficient evidence for the department to determine that the trauma service area regional advisory council has the personnel, knowledge, skills, and resources required by this section and shall notify the administrative cooperative of the department's decision.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.

SECTION 6. Same as introduced version.