

## **BILL ANALYSIS**

Senate Research Center  
77R526 PAM-D

S.B. 772  
By: Harris  
Health & Human Services  
3/5/2001  
As Filed

### **DIGEST AND PURPOSE**

Currently, the Texas Department of Human Services (department) is responsible for reviewing and approving an application to operate a nursing home in Texas. Until the application is approved, the facility cannot receive Medicaid and Medicare funding. There is currently no mechanism in place for the department to gather and use information on good nursing home operators to enable those operators to expeditiously gain approval for a license to operate another existing institution. As proposed, S.B. 772 provides for the expedited approval of a change of ownership license to current license holders that have compiled excellent operating records according to information available to the department.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Department of Human Services in SECTION 1 (Section 242.0335, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 242B, Health and Safety Code, by adding Section 242.0335, as follows:

Sec. 242.0335. EXPEDITED ISSUANCE OF CHANGE OF OWNERSHIP LICENSE TO CERTAIN CURRENT LICENSE HOLDERS. Requires the Texas Department of Human Services (department) to maintain and keep current a list of certain license holders. Requires the department, by rule, to establish specific criteria regarding eligibility for the list. Requires the department to establish a procedure under which a listed license holder may be granted expedited approval in obtaining a change of ownership license to operate another existing institution in this state. Authorizes the procedure to involve allowing a listed license holder to submit an affidavit containing certain information. Provides that an applicant for a change of ownership license must meet all applicable requirements that an applicant for renewal of a license must meet under this subchapter, including certain sections and rules. Provides that any requirement relating to inspection or to an accreditation review applies only to institutions operated by the license holder at the time the application is made for the change of ownership license.

SECTION 2. Effective date: September 1, 2001.

Requires the department to adopt rules under Section 242.0335, Health and Safety Code, as added by this Act, on or before March 1, 2002.