

1 AN ACT

2 relating to authorizing the Department of State Health Services to
3 issue a single license for multiple hospitals.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 241.023, Health and Safety Code, is
6 amended by amending Subsection (c) and adding Subsections (c-1)
7 through (c-3) to read as follows:

8 (c) Except as provided by Subsection (c-1), the [The]
9 department may issue a license only for the premises of a hospital
10 and person or governmental unit named in the application.

11 (c-1) The department may issue one license for multiple
12 hospitals if:

13 (1) all buildings in which inpatients receive hospital
14 services and inpatient services of each of the hospitals to be
15 included in the license are subject to the control and direction of
16 the same governing body;

17 (2) all buildings in which inpatients receive hospital
18 services are within a 30-mile radius of the main address of the
19 applicant;

20 (3) there is integration of the organized medical
21 staff of each of the hospitals to be included in the license;

22 (4) there is a single chief executive officer for all
23 of the hospitals who reports directly to the governing body and
24 through whom all administrative authority flows and who exercises

1 control and surveillance over all administrative activities of the
2 hospital;

3 (5) there is a single chief medical officer for all of
4 the hospitals who reports directly to the governing body and who is
5 responsible for all medical staff activities of the hospital;

6 (6) each building of a hospital to be included in the
7 license that is geographically separate from other buildings of the
8 same hospital contains at least one nursing unit for inpatients,
9 unless providing only diagnostic or laboratory services, or a
10 combination of diagnostic or laboratory services, in the building
11 for hospital inpatients; and

12 (7) each hospital that is to be included in the license
13 complies with the emergency services standards:

14 (A) for a general hospital, if the hospital
15 provides surgery or obstetrical care or both; or

16 (B) for a special hospital, if the hospital does
17 not provide surgery or obstetrical care.

18 (c-2) The hospital licensing director may recommend a
19 waiver of the requirement of Subsection (c-1)(7) for a hospital if
20 another hospital that is to be included in the license:

21 (1) complies with the emergency services standards for
22 a general hospital; and

23 (2) is in close geographic proximity to the hospital.

24 (c-3) The executive commissioner of the Health and Human
25 Services Commission shall adopt rules to implement the waiver
26 provision of Subsection (c-2). The rules must provide for a
27 determination by the department that the waiver will facilitate the

1 creation or operation of the hospital seeking the waiver and that
2 the waiver is in the best interest of the individuals served or to
3 be served by the hospital.

4 SECTION 2. Section 241.003(14), Health and Safety Code, is
5 repealed.

6 SECTION 3. The change in law made by this Act applies only
7 to an application for a license submitted on or after the effective
8 date of this Act. An application for a license submitted before the
9 effective date of this Act is covered by the law in effect on the
10 date the application was submitted, and the former law is continued
11 in effect for that purpose.

12 SECTION 4. This Act takes effect September 1, 2005.

David Dewhurst

President of the Senate

Jim Coakley

Speaker of the House

I certify that H.B. No. 2471 was passed by the House on May 13, 2005, by a non-record vote.

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 2471 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Sally Law

Secretary of the Senate

APPROVED:

18 JUNE '05

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
10:20 AM '05

JUN 18 2005
Roger Williams
Secretary of State