

- SUBJECT:** Abolishing certain health programs and councils
- COMMITTEE:** Government Efficiency and Reform — committee substitute recommended
- VOTE:** 5 ayes — Harper-Brown, Perry, Capriglione, Stephenson, Taylor, Vo
0 nays
1 absent — Scott Turner
- WITNESSES:** **(On committee substitute considered in public hearing, March 11)**
For — *(Registered, but did not testify:* Brent Connett, Texas Conservative Coalition)

Against — *(Registered, but did not testify:* Alfred Sepulveda)

On — Tony German, Texas Ambulatory Surgery Center Society; Ken Levine, Sunset Commission; John Rutledge, Texas Council on Cardiovascular Disease and Stroke, American Heart Association, American Stroke Association; Elizabeth Sjoberg, Texas Hospital Association; James Willmann, Texas Nurses Association; *(Registered, but did not testify:* Nick Dauster and Nagla Elerian, Texas Department of State Health Services; David Teuscher, Texas Medical Association)
- DIGEST:** CSHB 595 would repeal certain chapters of and abolish certain programs established in the Health and Safety Code:
- ch. 38, governing the control and eradication of lice infestation in minors;
 - ch. 46, governing tertiary medical care;
 - ch. 83, governing exposure to Agent Orange and an assistance program for affected veterans;
 - ch. 86, governing breast cancer and lung cancer prevention and control efforts;
 - ch. 90, governing osteoporosis prevention and control efforts;
 - ch. 91, governing the Prostate Cancer Education Program; and
 - ch. 112, governing the Border Health Foundation.

The bill also would repeal Government Code, sec. 533.005(a-1). This would allow Medicaid managed care organizations and pharmacy benefit managers to continue using the state's preferred drug plan and state formulary.

On September 1, 2013, the bill would transfer all property, as well as all contracts, leases, rights, and obligations, belonging to the breast cancer advisory council, the Office of Rural Health breast cancer screening advisory committee, the lung cancer advisory council, and the Border Health Foundation to the Department of State Health Services. On the same date, the bill would abolish the tertiary care account and transfer remaining money to the general revenue fund.

The bill would take effect September 1, 2013.

**SUPPORTERS
SAY:**

CSHB 595 would improve government efficiency and save the state about \$24.5 million through 2015 by removing parts of statute that govern councils, task forces, and programs that have not met for a long time or have nothing to produce. It would solely remove references in statute to programs that have already served their purpose.

Health and Human Services Code, ch. 83, for example, governs physician reporting of exposure to Agent Orange, which has not been a major public health issue since the early 1990s. The lung cancer and breast cancer reports described in ch. 86 have already been written and distributed, and the advisory councils have fulfilled their purposes. The prostate cancer education program is no longer funded independently, and the Border Health Foundation never fulfilled its function because it lacked funding from other nonprofit foundations.

The bill was developed in consultation with the Department of State Health Services and the Health and Human Services Commission to ensure that the chapters repealed would not affect any currently functioning programs. The tertiary medical care account and programs repealed by CSHB 595 have been replaced in other sections of statute. The bill would remove only redundant references to them in the Health and Safety Code. Any savings realized would not negatively impact the state's relevant public health programs.

By maintaining use of the current Texas Medicaid vendor drug program, CSHB 595 would allow the state to balance cost savings with patient

protection. Continuing the program would ensure that the patient received the lowest cost, most effective drug while making the prescribing process easier for physicians. Without CSHB 595, the Medicaid managed care organizations could use their own preferred drug lists after August 31, 2013, which could negatively affect cost and quality of care.

OPPONENTS
SAY:

CSHB 595 inappropriately would remove certain programs that are still important for public health. Many of the councils and programs eliminated by CSHB 595 have not met or operated because they lacked funding through state appropriations, not because they were not necessary. Prostate cancer prevention, breast cancer prevention, osteoporosis prevention, eradication of lice in children, and the health of Texans living along the border remain timely, important health issues that the Legislature should both address and fund.

By repealing entire chapters of Health and Safety Code, the bill also would unnecessarily eliminate cost-free provisions, such as the requirement added last session to notify women undergoing mammogram screening of the issues with dense breast tissue.

While CSHB 595 would save the state money in the short term, the long term costs associated with deteriorating public health far outweigh the minimal savings the bill would realize. CSHB 595 would represent a reckless approach to improving government efficiency.

Allowing managed care organizations to set their own drug lists would keep prescription costs low while improving patient choice among plans with different formularies.

NOTES:

According to the Legislative Budget Board, CSHB 595 would have a positive impact of about \$24.5 million through the biennium ending August 31, 2015.

CSHB 595 was originally scheduled on the April 29 general state calendar for second-reading consideration. It was recommitted to the Government Efficiency and Reform Committee on April 26 and reported from that committee at a formal meeting on April 29.