

## **BILL ANALYSIS**

Senate Research Center

H.B. 2017  
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Health & Human Services  
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Engrossed

### **DIGEST**

In 1989, Texas Tech University Health Science Center (TTUHSC) received a federal demonstration grant from the U.S. Department of Health and Human Services Office of Rural Health Policy. With the funding from this grant, HealthNet, the state's largest telemedicine system, was created. HealthNet connects TTUHSC's four West Texas campuses with rural health care facilities and prisons. The system provides various medical services that include interactive video consultations, teleradiology, health care consultations from prisons, and continuing education.

Currently, the telemedicine system is supported through funds from the medical school. The consulting physicians are staff of the health science center, and do not receive any reimbursement from Medicaid, Medicare, or private payers. The State Comptroller's Texas Performance Review Report, *Disturbing the Peace: The Challenge of Change*, recommended that the State Medicaid Office establish procedures to reimburse providers who offer services by telemedicine.

H.B. 2017 would require the Health and Human Services Commission to develop and implement a system to reimburse providers for services performed using telemedicine.

### **PURPOSE**

As proposed, H.B. 2017 requires the Health and Human Services Commission to develop and implement a system to reimburse providers for services performed using telemedicine.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the Health and Human Services Commission under SECTION 1 (Section 531.0215, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 531B, Government Code, by adding Section 531.0215, as follows:

Sec. 531.0215. PARTICIPATION AND REIMBURSEMENT OF TELEMEDICINE SERVICE PROVIDERS UNDER MEDICAID. Requires the Health and Human Services Commission (commission), by rule, to develop and implement a system to reimburse providers of services under the state Medicaid program for services performed using telemedicine. Sets forth requirements for the commission in developing the system. Requires the commission to encourage teaching hospitals, small rural hospitals, federally qualified health centers, and state-owned health care facilities to participate as telemedicine service providers in the health care delivery system. Defines "telemedicine."

SECTION 2. Requires Texas Tech University, as soon as practicable after the effective date of this Act, and with the cooperation of the commission, to contact the Health Care Financing Administration regarding approval of the federal waiver submitted before the effective date of this Act to allow Texas Tech University to receive reimbursement under the federal research and demonstration project for telemedicine services provided under the Medicare program.

SECTION 3. Emergency clause.  
Effective date: upon passage.