

## **BILL ANALYSIS**

Senate Research Center

H.B. 3504  
By: Solis, Jim (Lucio)  
Health Services  
5/9/1999  
Engrossed

### **DIGEST**

Currently, the Texas Center for Infectious Diseases in San Antonio and the South Texas Hospital in Harlingen treat tuberculosis in Texas. The institutions were built in 1954 and 1956, respectively, and were authorized to treat persons with various respiratory ailments, quarantine individuals, and to provide support services to the Texas Department of Health (TDH). In 1983, the Texas Legislature broadened the scope of South Texas Hospital to include surgical services, cancer screenings, and certain inpatient services. Today, the hospital serves as the major provider of sub-acute indigent care in its region.

In 1996, the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), found serious design and structural deficiencies in both facilities. If they did not develop a plan to renovate the old facilities or construct new ones, JCAHO would not re-accredit the facilities. The 75th Legislature approved Rider 44 to direct TDH to develop a long-range plan to determine the future of the two facilities. H.B. 3505 establishes a long-range plan for the South Texas Hospital.

### **PURPOSE**

As proposed, H.B. 3504 establishes a long-range plan for the South Texas Hospital in Harlingen.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

**SECTION 1. CONSTRUCTION OF NEW PHYSICAL FACILITY FOR OUTPATIENT HEALTH CARE SERVICES.** Requires the Texas Department of Health (TDH) to contract for the construction of a new physical facility for outpatient health care services out of the fund appropriated to TDH. Sets forth requirements for the physical facility. Requires the contract to specify that the facility be designed and constructed to follow the provision of all outpatient health care services provided at the South Texas Hospital (STH). Requires the facility to be designed and constructed to allow for the provision of additional outpatient health care services. Requires a facility that is colocated with the Regional Academic Health Center to be designed and constructed to realize potential savings in using common central utility plants and other resources. Requires the board of regents of the University of Texas System (board) to cooperate with TDH to coordinate the structure and design of the physical facilities under Subsection (a) and the Regional Academic Health Center to achieve maximum efficient use of resources.

**SECTION 2. OUTPATIENT HEALTH CARE SERVICES.** Requires the provision of all outpatient tuberculosis services provided by STH to be transferred to the facility. Authorizes TDH to enter into certain contracts for the management and operation of the facility and to provide outpatient health care.

**SECTION 3. INPATIENT HEALTHCARE AND RELATED LABORATORY SERVICES.** Requires TDH to contract with certain providers located in the Rio Grande Valley to provide health care, out of funds appropriated to TDH for inpatient care.

**SECTION 4. INTERIM RENOVATION OF PHYSICAL FACILITIES OF SOUTH TEXAS HOSPITAL.** Requires TDH to contract for minimal renovation of the physical facilities of STH that are required for compliance with state and federal standards regarding access for disabled and for continued operation of the hospital until construction of the new facility and the provision of those services is completed.

SECTION 5. FUTURE OF SOUTH TEXAS HOSPITAL. Requires the board to give the Texas Department of Mental Health and Mental Retardation (MHMR) the first option to lease the current physical facility of STH. Requires the board to study and prepare leasing and other options for potential future uses of the facilities if MHMR does not lease the facilities.

SECTION 6. CONTINUATION OF SUPPORT SERVICES. Requires TDH and the MHMR to enter into an interagency contract to provide for continuation of support services for the facility operated by MHMR that is colocated with STH, if the new facility required by SECTION 1 is colocated with the Regional Academic Health Center.

SECTION 7. DISPLACED EMPLOYEES OF SOUTH TEXAS HOSPITAL. Requires TDH to reassign a TDH employee working at STH, who is displaced as a result of the contract, to an open position with TDH, and if not possible to reassign to provide job assistance. Requires a contract awarded by TDH to include a provision that the contracting entity shall offer a displaced employee of STH a position if the employee is qualified.

SECTION 8. TIME FRAME. Requires TDH to enter into the contracts required by this Act not later than September 1, 2000.

SECTION 9. AMENDMENTS. (a) Amends Chapter 814B, Government Code, by adding Section 814.1043, as follows:

Sec. 814.1043. TEMPORARY SERVICE RETIREMENT OPTION FOR MEMBERS EMPLOYED AT SOUTH TEXAS HOSPITAL. Provides that this section applies only to TDH employees at STH on or after the effective date of this section and on or before September 1, 2000, and who separate from state service during that time. Requires a member described by Subsection (a) to retire and receive a service retirement annuity if the member's age and service credit would meet age and other requirements. Provides that the annuity of a person who retires under this subsection is computed on the person's accrued service credit increased by three years. Provides that a member under Subsection (a) becomes eligible to retire and receive a service retirement annuity on the date on which the member would have met the age and service requirements had the member remained employed by the state. Establishes that the annuity of a person who retires under this subsection is computed on the person's accrued service credit. Authorizes the time between the member's separation from state service and reemployment to be used only to compute eligibility for service retirement and not to be used to compute the amount of any service retirement annuity, if the member is reemployed by the state. Requires an employee who retires under this section and TDH to provide documentation required by the retirement system to establish eligibility to retire under this section.

(b) Amends Section 13.003, Health and Safety Code, to provide that the primary purpose of STH is to provide inpatient and outpatient services, either directly or by contract with one or more public or private health care providers or entities to the residents of the Lower Rio Grande Valley. Authorizes the board to establish at STH outpatient health care services, including diagnostic, treatment, disease management, and supportive care services.

SECTION 10. Emergency clause.  
Effective date: upon passage.