### **BILL ANALYSIS**

Senate Research Center 77R15081 JAT-D

C.S.H.B. 342
By: McClendon (Van de Putte)
Health & Human Services
5/4/2001
Committee Report (Substituted)

#### **DIGEST AND PURPOSE**

The House Committee on Public Health, in its Interim Report to the 77th Legislature, indicated that disease management is a growing trend in both public and privately funded health care delivery systems. The focus of disease management is on improving quality and containing total cost to provide a more effective and systematic approach to managing patients with chronic illnesses. The Subcommittee on Disease Management, in addressing the charge of evaluating the role and potential of disease management in public health programs serving chronically ill populations, recommended that a disease management pilot study be conducted to study asthma. More than one million Texans suffer from asthma and one-third are children. Asthma, which is a chronic, potentially fatal disease, appears to be an ideal target for disease management, as it has the potential through disease management for cost-effectiveness while improving the quality of care. C.S.H.B. 342 establishes a children's asthma disease management pilot study to be conducted in both a rural and urban environment using techniques that are transferable to private practice.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Department of Health in SECTION 1 (Section 95.001, Health and Safety Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title 2D, Health and Safety Code by adding Chapter 95, as follows:

## CHAPTER 95. CHILDREN'S ASTHMA DISEASE MANAGEMENT PILOT STUDY

Sec. 95.001. CHILDREN'S ASTHMA DISEASE MANAGEMENT PILOT STUDY. (a) Requires the Texas Department of Health (department) by rule to establish a pilot study to compare preventative disease management methods for treating children's asthma with traditional methods of treating the disease.

- (b) Requires the department to conduct the pilot study in an urban setting and in a rural setting.
- (c) Requires the department, in conducting the pilot study, to use disease management techniques that are transferrable to private practice and to other geographical areas of the state.
- (d) Authorizes the pilot study to measure certain outcomes.
- (e) Authorizes the department, in conducting the pilot study, to use the expertise of an academic institution or nonprofit organization.
- (f) Authorizes the department to use prospective simulation-based analysis to project the outcomes in Subsection (d).

Sec. 95.002. REPORT. (a) Requires the department, not later than November 1, 2002, to submit to the legislature an interim written report containing the findings of the pilot study.

(b) Requires the department, not later than November 1, 2003, to submit to the legislature a final written report containing the findings of the pilot study and the department's recommendations.

Sec. 95.003. EXPIRATION DATE. Provides that this chapter expires September 1, 2005.

SECTION 2. Provides the Texas Department of Health to request a waiver or authorization and authorizes the agency to delay implementing that provision until the waiver or authorization is granted, if the agency determines before implementing SECTION 1 of this Act that a waiver or authorization from a federal agency is necessary.

SECTION 3. Effective date: September 1, 2001.

### **SUMMARY OF COMMITTEE CHANGES**

Differs from original in SECTION 1 by adding new Subsections (e) and (f) to proposed Section 95.001, Health and Safety Code.