By: Sheffield H.B. No. 2340

Substitute the following for H.B. No. 2340:

By: Crownover C.S.H.B. No. 2340

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to regulation of prescribed pediatric extended care
- 3 centers; amending a provision subject to a criminal penalty.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Sections 248A.051(a) and (b), Health and Safety
- 6 Code, are amended to read as follows:
- 7 (a) A person may not own or operate a prescribed pediatric
- 8 extended care center in this state unless the person holds an
- 9 initial, renewal, or temporary [a] license issued under this
- 10 chapter. An applicant for a prescribed pediatric extended care
- 11 center license may not provide services under that license until
- 12 the department issues the license.
- 13 (b) A separate <u>initial</u>, <u>renewal</u>, <u>or temporary</u> license is
- 14 required for each center located on separate premises, regardless
- 15 of whether the centers are under the ownership or operation of the
- 16 same person.
- 17 SECTION 2. The heading to Section 248A.052, Health and
- 18 Safety Code, is amended to read as follows:
- 19 Sec. 248A.052. <u>INITIAL LICENSE</u> APPLICATION; ISSUANCE.
- SECTION 3. Section 248A.052(a), Health and Safety Code, as
- 21 amended by S.B. 219, Acts of the 84th Legislature, Regular Session,
- 22 2015, and Section 248A.052(c), Health and Safety Code, are amended
- 23 to read as follows:
- 24 (a) An applicant for an initial  $\left[\frac{a}{a}\right]$  prescribed pediatric

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- 1 extended care center license shall submit to the department in
- 2 accordance with department rules:
- 3 (1) a sworn application on the form prescribed by the
- 4 department;
- 5 (2) a letter of credit as prescribed by the department
- 6 to demonstrate the applicant's financial viability; and
- 7 (3) the required fees.
- 8 (c) The department shall issue an initial [a] license to a
- 9 center under this chapter if the department determines that the
- 10 applicant and the center meet the requirements of this chapter and
- 11 the rules and standards adopted under this chapter. The license
- 12 must include:
- 13 (1) the license holder's name;
- 14 (2) the location of the premises of the center; and
- 15 (3) a statement indicating the center provides
- 16 services to minors for 12 hours or less in a 24-hour period and does
- 17 not provide 24-hour care.
- SECTION 4. Subchapter B, Chapter 248A, Health and Safety
- 19 Code, is amended by adding Section 248A.0525 to read as follows:
- Sec. 248A.0525. TEMPORARY LICENSE PROCEDURES. (a) An
- 21 applicant for an initial license under Section 248A.052 may
- 22 request, in the manner prescribed by the department and in
- 23 accordance with this section, that the department issue a temporary
- 24 license pending the department's review of the applicant's
- 25 application for an initial license. An applicant is not required to
- 26 request a temporary license to receive an initial or renewal
- 27 license.

- 1 (b) A temporary license issued under this section
- 2 authorizes an applicant to provide nonresidential basic services to
- 3 not more than six minors until the temporary license expires or
- 4 terminates in accordance with this section.
- 5 (c) On receipt of a temporary license request, the
- 6 department shall conduct a review of the applicant's policies,
- 7 procedures, and staffing plans to serve minors in the center.
- 8 (d) The department shall grant an applicant's request for a
- 9 temporary license if the department determines the applicant is
- 10 eligible for the license as provided by this subsection. The
- 11 department may not grant a request for a temporary license if the
- 12 department determines the applicant is ineligible for the license
- 13 under this subsection. An applicant is eligible for a temporary
- 14 license only if the applicant meets:
- 15 (1) the license application requirements of Sections
- 16 248A.052(a) and (b) and the license application rules adopted under
- 17 this chapter;
- 18 (2) the building requirements and standards for a
- 19 center provided in department rules adopted under this chapter; and
- 20 (3) the requirements of the department's review
- 21 conducted under Subsection (c).
- (e) A temporary license issued under this section expires on
- 23 the earlier of:
- 24 (1) the 90th day after the date the temporary license
- 25 is issued or the last day of any extension period granted by the
- 26 department; or
- 27 (2) the date an initial license is issued under

- 1 <u>Section 248A.052.</u>
- 2 (f) The department may not grant more than one extension of
- 3 a temporary license issued under this section and may not grant an
- 4 extension for a period that exceeds 90 days. The department shall
- 5 grant an extension if a temporary license holder submits to the
- 6 department an extension request in the manner prescribed by the
- 7 department not later than the 30th day before the date the temporary
- 8 license expires.
- 9 (g) A temporary license holder must comply with this chapter
- 10 and the rules adopted under this chapter for the period for which
- 11 the temporary license is issued, including an extension, if
- 12 applicable. The department may take an enforcement action against
- 13 a temporary license holder for failure to comply with this chapter
- 14 and the rules adopted under this chapter.
- 15 (h) The department may conduct a complaint investigation
- 16 <u>and inspection of a temporary license holder.</u>
- 17 SECTION 5. The heading to Section 248A.053, Health and
- 18 Safety Code, is amended to read as follows:
- 19 Sec. 248A.053. INITIAL OR RENEWAL LICENSE TERM; RENEWAL;
- 20 NOTIFICATION.
- 21 SECTION 6. Section 248A.053(a), Health and Safety Code, is
- 22 amended to read as follows:
- 23 (a) An initial or renewal [A] license issued under this
- 24 chapter expires on the second anniversary of the date of issuance.
- 25 SECTION 7. The heading to Section 248A.151, Health and
- 26 Safety Code, is amended to read as follows:
- Sec. 248A.151. ADMISSION CRITERIA FOR MINOR CLIENT; ADULT

## 1 ACCOMPANIMENT.

- 2 SECTION 8. Section 248A.151, Health and Safety Code, is
- 3 amended by adding Subsection (c) to read as follows:
- 4 (c) A minor client's parent, legal guardian, or managing
- 5 conservator is not required to accompany the client when:
- 6 (1) the client receives services in the center,
- 7 including therapy services delivered in the center but billed
- 8 separately; or
- 9 (2) the center transports or provides for the
- 10 transport of the client to and from the center.
- 11 SECTION 9. Subchapter D, Chapter 248A, Health and Safety
- 12 Code, is amended by adding Section 248A.158 to read as follows:
- 13 Sec. 248A.158. RELATION TO NURSING SERVICES. Nursing
- 14 services provided by a center must be a one-to-one replacement of
- 15 private duty nursing or other skilled nursing services unless
- 16 <u>additional nursing services are medically necessary.</u>
- 17 SECTION 10. Not later than September 1, 2016, the executive
- 18 commissioner of the Health and Human Services Commission shall
- 19 adopt the rules necessary to implement Chapter 248A, Health and
- 20 Safety Code, as amended by this Act.
- 21 SECTION 11. As soon as practicable after the effective date
- 22 of this Act, the executive commissioner of the Health and Human
- 23 Services Commission shall establish a reimbursement rate for
- 24 licensed pediatric extended care centers that are enrolled in the
- 25 medical assistance program that, when converted to an hourly rate,
- 26 is not more than 70 percent of the average hourly unit rate for
- 27 private duty nursing provided under the Texas Health Steps

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- 1 Comprehensive Care Program.
- 2 SECTION 12. If before implementing any provision of this
- 3 Act a state agency determines that a waiver or authorization from a
- 4 federal agency is necessary for implementation of that provision,
- 5 the agency affected by the provision shall request the waiver or
- 6 authorization and may delay implementing that provision until the
- 7 waiver or authorization is granted.
- 8 SECTION 13. The changes in law made by this Act related to
- 9 temporary licenses apply only to a temporary license application
- 10 submitted to or an inspection conducted by the Department of Aging
- 11 and Disability Services on or after September 1, 2016.
- 12 SECTION 14. This Act takes effect September 1, 2015.