

By: Delisi

H.B. No. 70

A BILL TO BE ENTITLED

1 AN ACT

2 relating to attorney general review of certain contracts for health
3 care purposes.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter A, Chapter 531, Government Code, is
6 amended by adding Section 531.018 to read as follows:

7 Sec. 531.018. CERTAIN CONTRACTS FOR HEALTH CARE PURPOSES;
8 REVIEW BY ATTORNEY GENERAL. (a) This section applies to any
9 contract with a contract amount of \$50 million or more:

10 (1) under which a person provides goods or services in
11 connection with the provision of medical or health care services,
12 coverage, or benefits; and

13 (2) entered into by the person and:

14 (A) the commission;

15 (B) a health and human services agency; or

16 (C) any other state agency under the jurisdiction
17 of the commission.

18 (b) Notwithstanding any other law, before a contract
19 described by Subsection (a) may be entered into by the agency, a
20 representative of the office of the attorney general shall review
21 the form and terms of the contract and may make recommendations to
22 the agency for changes to the contract. The office of the attorney
23 general shall report any recommendations made under this subsection
24 to the governor, the lieutenant governor, and the speaker of the

1 house of representatives.

2 (c) An agency described by Subsection (a)(2) must notify the
3 office of the attorney general at the time the agency is initiating
4 the applicable competitive bidding or other applicable contracting
5 process. A representative of the office of the attorney general may
6 participate in negotiations or discussions with proposed
7 contractors and may be physically present during those negotiations
8 or discussions.

9 SECTION 2. Subchapter A, Chapter 811, Government Code, is
10 amended by adding Section 811.009 to read as follows:

11 Sec. 811.009. CERTAIN CONTRACTS FOR HEALTH CARE PURPOSES;
12 REVIEW BY ATTORNEY GENERAL. (a) This section applies to any
13 contract with a contract amount of \$50 million or more:

14 (1) under which a person provides goods or services in
15 connection with the provision of medical or health care services,
16 coverage, or benefits; and

17 (2) entered into by the person and the retirement
18 system.

19 (b) Notwithstanding any other law, before a contract
20 described by Subsection (a) may be entered into by the retirement
21 system, a representative of the office of the attorney general
22 shall review the form and terms of the contract and may make
23 recommendations to the retirement system for changes to the
24 contract. The office of the attorney general shall report any
25 recommendations made under this subsection to the governor, the
26 lieutenant governor, and the speaker of the house of
27 representatives.

1 (c) The retirement system must notify the office of the
2 attorney general at the time the system is initiating the
3 applicable competitive bidding or other applicable contracting
4 process. A representative of the office of the attorney general may
5 participate in negotiations or discussions with proposed
6 contractors and may be physically present during those negotiations
7 or discussions.

8 SECTION 3. Subchapter A, Chapter 821, Government Code, is
9 amended by adding Section 821.009 to read as follows:

10 Sec. 821.009. CERTAIN CONTRACTS FOR HEALTH CARE PURPOSES;
11 REVIEW BY ATTORNEY GENERAL. (a) This section applies to any
12 contract with a contract amount of \$50 million or more:

13 (1) under which a person provides goods or services in
14 connection with the provision of medical or health care services,
15 coverage, or benefits; and

16 (2) entered into by the person and the retirement
17 system.

18 (b) Notwithstanding any other law, before a contract
19 described by Subsection (a) may be entered into by the retirement
20 system, a representative of the office of the attorney general
21 shall review the form and terms of the contract and may make
22 recommendations to the retirement system for changes to the
23 contract. The office of the attorney general shall report any
24 recommendations made under this subsection to the governor, the
25 lieutenant governor, and the speaker of the house of
26 representatives.

27 (c) The retirement system must notify the office of the

1 attorney general at the time the system is initiating the
2 applicable competitive bidding or other applicable contracting
3 process. A representative of the office of the attorney general may
4 participate in negotiations or discussions with proposed
5 contractors and may be physically present during those negotiations
6 or discussions.

7 SECTION 4. Sections 531.018, 811.009, and 821.009,
8 Government Code, as added by this Act, apply only to a contract
9 described by those sections that is entered into on or after
10 November 1, 2003.

11 SECTION 5. This Act takes effect November 1, 2003.