By: Capelo H.B. No. 2995

A BILL TO BE ENTITLED

AN ACT

2	relating	to	the	liability	of	physicians.	health	care	providers.	and

- 3 hospital district management contractors who provide services for
- 4 certain governmental entities.

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- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5
- SECTION 1. Section 102.001(1), Civil Practice and Remedies 6
- Code, is amended to read as follows: 7
- 8 "Employee" includes an officer, volunteer, or
- employee, a former officer, volunteer, or employee, and the estate 9
- of an officer, volunteer, or employee or former officer, volunteer, 10
- 11 or employee of a local government. The term includes a physician
- 12 licensed in this state who is performing services under a contract
- with a facility owned or operated by a unit of local government, 13
- 14 including a physician who provides emergency or post-emergency
- stabilization services to patients in a hospital owned or operated 15
- by a unit of local government, and the estate of the physician. The 16
- term does not include a county extension agent. 17
- 18 SECTION 2. Section 108.001, Civil Practice and Remedies
- Code, is amended to read as follows: 19
- Sec. 108.001. DEFINITIONS. (a) In this chapter: 20
- 21 "Public servant" means a person who is:
- 22 a public official elected or appointed to (A)
- 23 serve a governmental unit and acting in that capacity when the act
- 24 or omission on which the damages were based occurred; or

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- 1 (B) covered by Section 104.001 or Section
- 2 102.001.
- 3 (2) "Public servant" does not include an independent
- 4 contractor, an agent or employee of an independent contractor, or
- 5 another person who performs a contract for a unit of government.
- 6 (b) Notwithstanding Subsection (a)(2), "public servant"
- 7 <u>includes a physician licensed in this state who is performing</u>
- 8 services under a contract with a facility owned or operated by a
- 9 unit of government, including a physician who provides emergency or
- 10 post-emergency stabilization services to patients in a hospital
- owned or operated by a unit of government, and the estate of the
- 12 physician.
- SECTION 3. Sections 108.002(a) and (b), Civil Practice and
- 14 Remedies Code, are amended to read as follows:
- 15 (a) Except in an action arising under the constitution or
- laws of the United States, a public servant[, other than a provider
- of health care as that term is defined in Section 108.002(c), is
- 18 not personally liable for damages in excess of \$100,000 arising
- 19 from personal injury, death, or deprivation of a right, privilege,
- 20 or immunity if:
- 21 (1) the damages are the result of an act or omission by
- the public servant in the course and scope of the public servant's
- office, employment, or contractual performance for or service on
- 24 behalf of a state agency, institution, department, or local
- 25 government; and
- 26 (2) for the amount not in excess of \$100,000, the
- 27 public servant is covered:

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- 1 (A) by the state's obligation to indemnify under
- 2 Chapter 104;
- 3 (B) by a local government's authorization to
- 4 indemnify under Chapter 102;
- 5 (C) by liability or errors and omissions
- 6 insurance; or
- 7 (D) by liability or errors and omissions coverage
- 8 under an interlocal agreement.
- 9 (b) Except in an action arising under the constitution or
- 10 laws of the United States, a public servant[, other than a provider
- of health care as that term is defined in Section $108.002(c)_{\tau}$] is
- not liable for damages in excess of \$100,000 for property damage if:
- 13 (1) the damages are the result of an act or omission by
- 14 the public servant in the course and scope of the public servant's
- office, employment, or contractual performance for or service on
- 16 behalf of a state agency, institution, department, or local
- 17 government; and
- 18 (2) for the amount not in excess of \$100,000, the
- 19 public servant is covered:
- 20 (A) by the state's obligation to indemnify under
- 21 Chapter 104;
- 22 (B) by a local government's authorization to
- 23 indemnify under Chapter 102;
- 24 (C) by liability or errors and omissions
- 25 insurance; or
- 26 (D) by liability or errors and omissions coverage
- 27 under an interlocal agreement.

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- 1 SECTION 4. Section 285.071, Health and Safety Code, is
- 2 amended to read as follows:
- 3 Sec. 285.071. DEFINITION. In this chapter, "hospital
- 4 district management contractor" means a nonprofit corporation,
- 5 partnership, or sole proprietorship that manages a hospital or
- 6 provides services [as a part of a rural health network as defined
- 7 under 42 U.S.C. Section 1395i-4(q)] under contract with a hospital
- 8 district that was created by general or special law [and that has a
- 9 population under 50,000].
- SECTION 5. Section 108.002(c), Civil Practice and Remedies
- 11 Code, is repealed.
- 12 SECTION 6. This Act applies only to a cause of action that
- 13 accrues on or after the effective date of this Act. A cause of
- 14 action that accrues before the effective date of this Act is
- 15 governed by the law as it existed immediately before the effective
- 16 date of this Act and that law is continued in effect for this
- 17 purpose.
- SECTION 7. This Act takes effect immediately if it receives
- 19 a vote of two-thirds of all the members elected to each house, as
- 20 provided by Section 39, Article III, Texas Constitution. If this
- 21 Act does not receive the vote necessary for immediate effect, this
- 22 Act takes effect September 1, 2003.