

By: Averitt

S.B. No. 1510

A BILL TO BE ENTITLED

AN ACT

relating to the liability of a nonprofit management contractor of certain hospital authorities.

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

SECTION 1. Chapter 262, Health and Safety Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. LIABILITY OF NONPROFIT MANAGEMENT CONTRACTOR

Sec. 262.061. DEFINITION. In this subchapter, "municipal hospital authority management contractor" means a nonprofit corporation, partnership, or sole proprietorship that manages or operates a hospital or provides services under a contract with a municipal hospital authority.

Sec. 262.062. LIABILITY OF MUNICIPAL HOSPITAL AUTHORITY MANAGEMENT CONTRACTOR. A municipal hospital authority management contractor in its management or operation of a hospital under a contract with a municipal hospital authority is considered a governmental unit for purposes of Chapters 101, 102, and 108, Civil Practice and Remedies Code, and any employee of the contractor is, while performing services under the contract for the benefit of the hospital, an employee of the municipal hospital authority for the purposes of Chapters 101, 102, and 108, Civil Practice and Remedies Code.

SECTION 2. Chapter 264, Health and Safety Code, is amended by adding Subchapter E to read as follows:

1        SUBCHAPTER E. LIABILITY OF NONPROFIT MANAGEMENT CONTRACTOR

2        Sec. 264.061. DEFINITION. In this subchapter, "county  
3 hospital authority management contractor" means a nonprofit  
4 corporation, partnership, or sole proprietorship that manages or  
5 operates a hospital or provides services under a contract with a  
6 county hospital authority.

7        Sec. 264.062. LIABILITY OF COUNTY HOSPITAL AUTHORITY  
8 MANAGEMENT CONTRACTOR. A county hospital authority management  
9 contractor in its management or operation of a hospital under a  
10 contract with a county hospital authority is considered a  
11 governmental unit for purposes of Chapters 101, 102, and 108, Civil  
12 Practice and Remedies Code, and any employee of the contractor is,  
13 while performing services under the contract for the benefit of the  
14 hospital, an employee of the county hospital authority for the  
15 purposes of Chapters 101, 102, and 108, Civil Practice and Remedies  
16 Code.

17        SECTION 3. This Act applies only to an action filed on or  
18 after the effective date of this Act. An action filed before the  
19 effective date of this Act, including an action filed before that  
20 date in which a party is joined or designated after that date, is  
21 governed by the law in effect immediately before the change in law  
22 made by this Act, and that law is continued in effect for that  
23 purpose.

24        SECTION 4. This Act takes effect September 1, 2005.