

Amend SB 344 (House Committee Report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 243.002, Health and Safety Code, is amended by amending Subdivision (3) and adding Subdivisions (3-a), (3-b), and (5) to read as follows:

(3) "Department" means the [~~Texas~~] Department of State Health Services.

(3-a) "Designated physician group" means any business entity formed exclusively by one or more physicians licensed to practice medicine in this state, including a professional association, a professional corporation, a professional limited liability company, or a professional limited liability partnership.

(3-b) "Facility" means the physical premises that the department determines constitutes an ambulatory surgical center.

(5) "Sublicense agreement" means a written and executed agreement between a licensed ambulatory surgical center and a designated physician group under which the ambulatory surgical center allows the designated physician group to use its facility to provide surgical services to the designated physician group's patients.

SECTION _____. The heading to Section 243.003, Health and Safety Code, is amended to read as follows:

Sec. 243.003. LICENSE REQUIRED; SUBLICENSE AGREEMENTS.

SECTION _____. Section 243.003, Health and Safety Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) Except as provided by Subsection (d), a [A] license is not transferable or assignable.

(d) An ambulatory surgical center may share its license with a designated physician group under a written sublicense agreement if:

(1) the sublicense agreement is filed with and approved by the department; and

(2) the sublicense agreement provides that:

(A) the ambulatory surgical center remains

responsible for ensuring that the facility and all surgical and other services provided by the ambulatory surgical center or in the facility by any designated physician group complies with this chapter and applicable department rules; and

(B) all surgical services provided by the designated physician group as an ambulatory surgical center sublicense holder are provided in the facility.

SECTION _____. Section 843.002, Insurance Code, is amended by adding Subdivision (1-a) and amending Subdivision (24) to read as follows:

(1-a) "Ambulatory surgical center" means a facility licensed under Chapter 243, Health and Safety Code. The term includes a designated physician group operating under a sublicense agreement under Section 243.003, Health and Safety Code.

(24) "Provider" means:

(A) a person, other than a physician, who is licensed or otherwise authorized to provide a health care service in this state, including:

(i) a chiropractor, registered nurse, pharmacist, optometrist, registered optician, or acupuncturist; or

(ii) a pharmacy, hospital, ambulatory surgical center, or other institution or organization;

(B) a person who is wholly owned or controlled by a provider or by a group of providers who are licensed or otherwise authorized to provide the same health care service; or

(C) a person who is wholly owned or controlled by one or more hospitals and physicians, including a physician-hospital organization.

SECTION _____. Section 1301.001, Insurance Code, is amended by amending Subdivisions (1) and (4) and adding Subdivision (1-a) to read as follows:

(1) "Ambulatory surgical center" means a facility licensed under Chapter 243, Health and Safety Code. The term includes a designated physician group operating under a sublicense agreement under Section 243.003, Health and Safety Code.

(1-a) "Health care provider" means a practitioner,

institutional provider, or other person or organization that furnishes health care services and that is licensed or otherwise authorized to practice in this state. The term does not include a physician.

(4) "Institutional provider" means an ambulatory surgical center, [a] hospital, nursing home, or other medical or health-related service facility that provides care for the sick or injured or other care that may be covered in a health insurance policy.

SECTION _____. Section 401.011, Labor Code, is amended by adding Subdivision (4-a) and amending Subdivision (20) to read as follows:

(4-a) "Ambulatory surgical center" means a facility licensed under Chapter 243, Health and Safety Code. The term includes a designated physician group operating under a sublicense agreement under Section 243.003, Health and Safety Code.

(20) "Health care facility" means a hospital, ambulatory surgical center, emergency clinic, outpatient clinic, or other facility providing health care.

SECTION _____. The change in law made by this Act applies only to a sublicense agreement under Section 243.003, Health and Safety Code, as amended by this Act, that is entered into and approved by the Department of State Health Services on or after the effective date of this Act. A sublicense agreement entered into before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.