BILL ANALYSIS

Senate Research Center 81R9681 ALB-F

S.B. 1705 By: West Intergovernmental Relations 4/6/2009 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Throughout the past 20 years, Parkland Health and Hospital System (Parkland) has developed a network of 11 community-oriented primary care (COPC) health centers, 11 youth and family centers, and the Homeless Outreach Medical Service, which serves 30 Dallas County shelters. The network of centers extends primary care, prevention, and wellness services throughout Dallas County. Through the network, Parkland has demonstrated reductions in costly and avoidable emergency room visits and preventable in-patient admissions. In 2006, Parkland assumed responsibility for the health care services for the inmates of the Dallas County Jail System. In aggregate, Parkland annually provides over 725,000 primary care visits.

In order to meet its statutory mandate and provide care for the needy and indigent population, Parkland needs to employ approximately 145 primary care physicians for its COPCs, the Dallas County Jail, family health centers, and Parkland Memorial Hospital. Since the early 1990s, however, the State of Texas recognized a ban on the "corporate practice of medicine," which currently prevents corporate entities from employing physicians, dentists, and other health care providers.

As proposed, S.B. 1705 authorizes the board of hospital managers of the Dallas County Hospital District to employ physicians, dentists, and other health care providers.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 281, Health and Safety Code, by adding Section 281.0282, as follows:

Sec. 281.0282. DALLAS COUNTY HOSPITAL DISTRICT; EMPLOYMENT OF HEALTH CARE PROVIDERS. (a) Authorizes the board of hospital managers (board) of the Dallas County Hospital District (district) to appoint, contract for, or employ physicians, dentists, and other health care providers as the board considers necessary for the efficient operation of the district.

- (b) Prohibits the term of an employment contract entered into under this section from exceeding four years.
- (c) Prohibits this section from being construed as authorizing the board to supervise or control the practice of medicine, as prohibited by Subtitle B (Physicians), Title 3 (Health Professions), Occupations Code.

SECTION 2. Effective date: upon passage or September 1, 2009.