

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 311
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Intergovernmental Relations
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the board of directors of the Ochiltree County Hospital District (district) may appoint any doctors they consider necessary for the efficient operation of the district. The district, like many rural hospitals, has had a very hard time attracting physicians to practice in the communities it serves. Current law limits the district's ability to hire employees.

Being able to employ the doctors would be a great recruitment tool for the district. A number of physicians, especially those coming out of medical school, want to be employees rather than set up their own practice. They want employee benefits, like health insurance and retirement plans. Many also do not want the headache of managing a small business. If the district were able to employ physicians, it could offer them a set salary and employee benefits.

C.S.S.B. 311 authorizes the district's board of directors to hire physicians or other health care providers as it deems necessary. The bill does not authorize the board of directors to supervise or control the practice of medicine, as prohibited by Subtitle B (Physicians), Title 3 (Health Professions), Occupations Code.

C.S.S.B. 311 amends current law relating to the authority of the board of directors of the Ochiltree County Hospital District to employ physicians 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 Section 1071.062, Special District Local Laws Code, by amending Subsection (b) and adding Subsection (d), as follows:

(b) Authorizes the board of directors (board) of the Ochiltree County Hospital District (district) to employ technicians, nurses, health care providers other than physicians, fiscal agents, accountants, and other necessary employees.

(d) Authorizes the board to employ physicians, but only as provided by Section 1071.0625.

SECTION 2. Amends Subchapter B, Chapter 1701, Special District Local Laws Code, by adding Section 1071.0625, as follows:

Sec. 1071.0625. EMPLOYMENT OF PHYSICIANS. (a) Authorizes the board to employ a physician and retain all or part of the professional income generated by the physician for medical services provided at a hospital owned or operated by the district if the board satisfies the requirements of this section.

(b) Requires the board to appoint a chief medical officer for the district; and adopt, maintain, and enforce policies to ensure that a physician employed by the

district exercises the physician's independent medical judgment in providing care to patients.

(c) Requires that the policies adopted under this section include policies relating to credentialing, quality assurance, utilization review, peer review, and medical decision-making; and the implementation of a complaint mechanism to process and resolve complaints regarding interference or attempted interference with a physician's independent medical judgment.

(d) Requires that the policies adopted under this section be approved by the chief medical officer of the district, and prevail over a conflicting policy of the district.

(e) Requires each physician employed by the board, for all matters relating to the practice of medicine, to ultimately report to the chief medical officer of the district.

(f) Provides that the chief medical officer will report immediately to the Texas Medical Board any action or event that the chief medical officer reasonably and in good faith believes constitutes a compromise of the independent medical judgment of a physician in caring for a patient.

(g) Prohibits the board from delegating to the district administrator the authority to hire a physician.

(h) Prohibits this section from being construed as authorizing the board to supervise or control the practice of medicine as prohibited under Subtitle B (Physicians), Title 3 (Health Professions), Occupations Code.

SECTION 3. Effective date: upon passage or September 1, 2011.