

By: Chisum

H.B. No. 729

Substitute the following for H.B. No. 729:

By: Jackson

C.S.H.B. No. 729

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the authority of the board of directors of the Ochiltree  
3 County Hospital District to employ health care providers.

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

5 SECTION 1. Section 1071.062, Special District Local Laws  
6 Code, is amended by amending Subsections (b) and (c) and adding  
7 Subsection (d) to read as follows:

8 (b) The board may employ physicians, technicians, nurses,  
9 other health care providers, fiscal agents, accountants, and other  
10 necessary employees.

11 (c) The board may delegate to the district administrator the  
12 authority to hire employees under Subsection (b) other than  
13 physicians.

14 (d) This subchapter may not be construed as authorizing the  
15 governing body of a hospital to supervise or control the practice of  
16 medicine, as prohibited under Subtitle B, Title 3, Occupations  
17 Code.

18 SECTION 2. Section 1071.064, Special District Local Laws  
19 Code, is amended by adding Subsections (b), (c), (d), (e), (f), and  
20 (g) to read as follows:

21 (b) The board may employ a physician and retain all or part  
22 of the professional income generated by the physician for medical  
23 services provided at the hospital and other health facilities owned  
24 or operated by the hospital if the hospital satisfies the

1 requirements of this subchapter.

2 (c) The board shall:

3 (1) appoint a chief medical officer, who may be a  
4 member of the hospital's medical staff; and

5 (2) adopt, maintain, and enforce policies to ensure  
6 that a physician employed by the hospital exercises the physician's  
7 independent medical judgment in providing care to patients at the  
8 hospital.

9 (d) The policies adopted under this section must include:

10 (1) policies relating to:

11 (A) credentialing;

12 (B) quality assurance;

13 (C) utilization review;

14 (D) peer review; and

15 (E) medical decision-making; and

16 (2) the implementation of a complaint mechanism to  
17 process and resolve complaints regarding interference or attempted  
18 interference with a physician's independent medical judgment.

19 (e) For all matters relating to the practice of medicine,  
20 each physician employed by the hospital under this subchapter shall  
21 ultimately report to the chief medical officer of the hospital.

22 (f) The policies adopted under this section:

23 (1) must be approved by the chief medical officer of  
24 the hospital; and

25 (2) shall control and prevail in the event of a  
26 conflict with any other policies of a hospital under this  
27 subchapter.

1       (g) The chief medical officer shall immediately report to  
2 the Texas Medical Board any action or event that the chief medical  
3 officer reasonably and in good faith believes constitutes a  
4 compromise of the independent medical judgment of a physician in  
5 caring for a patient."

6       SECTION 2. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2011.