

By: Hardcastle

H.B. No. 3806

Substitute the following for H.B. No. 3806:

By: Gonzales of Williamson

C.S.H.B. No. 3806

A BILL TO BE ENTITLED

AN ACT

relating to the authority of the board of directors of the Haskell County Hospital District to employ physicians and other health care providers.

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

SECTION 1. Section 1040.057, Special District Local Laws Code, is amended to read as follows:

Sec. 1040.057. EMPLOYEES. (a) The board may employ a general manager and other necessary professional and clerical personnel.

(b) The board may employ health care providers other than physicians as the board considers necessary for the efficient operation of the district.

(c) The board may employ physicians, but only as provided by Section 1040.0575.

SECTION 2. Subchapter B, Chapter 1040, Special District Local Laws Code, is amended by adding Section 1040.0575 to read as follows:

Sec. 1040.0575. EMPLOYMENT OF PHYSICIANS. (a) The board may employ a physician and retain all or part of the professional income generated by the physician for medical services provided at a hospital or other health care facility owned or operated by the district if the board satisfies the requirements of this section.

(b) The board shall:

1           (1) appoint a chief medical officer for the district  
2 who has been recommended by the medical staff of the district; and

3           (2) adopt, maintain, and enforce policies to ensure  
4 that a physician employed by the district exercises the physician's  
5 independent medical judgment in providing care to patients.

6           (c) The policies adopted under this section must include:

7                 (1) policies relating to:

8                         (A) credentialing and privileges;

9                         (B) quality assurance;

10                        (C) utilization review;

11                        (D) peer review and due process; and

12                        (E) medical decision-making; and

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

16           (d) The policies adopted under this section must be approved  
17 by the district medical staff. The district medical staff and the  
18 board shall jointly develop and implement a conflict management  
19 policy to resolve any conflict between a medical staff policy and a  
20 board policy.

21           (e) For all matters relating to the practice of medicine,  
22 each physician employed by the district shall ultimately report to  
23 the chief medical officer of the district.

24           (f) The chief medical officer shall notify the Texas Medical  
25 Board that the board is employing physicians under this section and  
26 that the chief medical officer is the board's designated contact  
27 with the Texas Medical Board. The chief medical officer shall

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

5 (g) The board shall give equal consideration regarding the  
6 issuance of medical staff membership and privileges to physicians  
7 employed by the district and physicians not employed by the  
8 district.

9 (h) A physician employed by the district shall retain  
10 independent medical judgment in providing care to patients and may  
11 not be disciplined for reasonably advocating for patient care.

12 (i) If the district provides professional liability  
13 coverage for physicians employed by the district, a physician  
14 employed by the district may participate in the selection of the  
15 professional liability coverage, has the right to an independent  
16 defense at the physician's own cost, and retains the right to  
17 consent to the settlement of any action or proceeding brought  
18 against the physician.

19 (j) If a physician employed by the district enters into an  
20 employment agreement that includes a covenant not to compete, the  
21 agreement is subject to Section 15.50, Business & Commerce Code.

22 (k) This section applies to medical services provided by a  
23 physician at a hospital or other health care facility owned or  
24 operated by the district.

25 (l) This section may not be construed as authorizing the  
26 board to supervise or control the practice of medicine as  
27 prohibited under Subtitle B, Title 3, Occupations Code.

1           SECTION 3. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2011.