

AN ACT

relating to the authority of the board of directors of the Ochiltree 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 1071.062, Special District Local Laws Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

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

(d) The board may employ physicians, but only as provided by Section 1071.0625.

SECTION 2. Subchapter B, Chapter 1071, Special District Local Laws Code, is amended by adding Section 1071.0625 to read as follows:

Sec. 1071.0625. 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 owned or operated by the district if the board satisfies the requirements of this section.

(b) The board shall:

(1) appoint a chief medical officer for the district;
and

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

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

5 (1) policies relating to:

6 (A) credentialing;

7 (B) quality assurance;

8 (C) utilization review;

9 (D) peer review; and

10 (E) medical decision-making; and

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

14 (d) The policies adopted under this section:

15 (1) must be approved by the chief medical officer of
16 the district; and

17 (2) shall prevail over a conflicting policy of the
18 district.

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

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

27 (g) The board may not delegate to the district administrator

1 the authority to hire a physician.

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

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

S.B. No. 311

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 311 passed the Senate on March 31, 2011, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 311 passed the House on May 20, 2011, by the following vote: Yeas 148, Nays 1, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor