

1-1 By: Seliger S.B. No. 311  
1-2 (In the Senate - Filed January 4, 2011; February 2, 2011,  
1-3 read first time and referred to Committee on Intergovernmental  
1-4 Relations; March 21, 2011, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;  
1-6 March 21, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 311 By: Nichols

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the authority of the board of directors of the Ochiltree  
1-11 County Hospital District to employ physicians and other health care  
1-12 providers.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Section 1071.062, Special District Local Laws  
1-15 Code, is amended by amending Subsection (b) and adding Subsection  
1-16 (d) to read as follows:

1-17 (b) The board may employ technicians, nurses, health care  
1-18 providers other than physicians, fiscal agents, accountants, and  
1-19 other necessary employees.

1-20 (d) The board may employ physicians, but only as provided by  
1-21 Section 1071.0625.

1-22 SECTION 2. Subchapter B, Chapter 1071, Special District  
1-23 Local Laws Code, is amended by adding Section 1071.0625 to read as  
1-24 follows:

1-25 Sec. 1071.0625. EMPLOYMENT OF PHYSICIANS. (a) The board  
1-26 may employ a physician and retain all or part of the professional  
1-27 income generated by the physician for medical services provided at  
1-28 a hospital owned or operated by the district if the board satisfies  
1-29 the requirements of this section.

1-30 (b) The board shall:

1-31 (1) appoint a chief medical officer for the district;  
1-32 and

1-33 (2) adopt, maintain, and enforce policies to ensure  
1-34 that a physician employed by the district exercises the physician's  
1-35 independent medical judgment in providing care to patients.

1-36 (c) The policies adopted under this section must include:

1-37 (1) policies relating to:

1-38 (A) credentialing;

1-39 (B) quality assurance;

1-40 (C) utilization review;

1-41 (D) peer review; and

1-42 (E) medical decision-making; and

1-43 (2) the implementation of a complaint mechanism to  
1-44 process and resolve complaints regarding interference or attempted  
1-45 interference with a physician's independent medical judgment.

1-46 (d) The policies adopted under this section:

1-47 (1) must be approved by the chief medical officer of  
1-48 the district; and

1-49 (2) shall prevail over a conflicting policy of the  
1-50 district.

1-51 (e) For all matters relating to the practice of medicine,  
1-52 each physician employed by the board shall ultimately report to the  
1-53 chief medical officer of the district.

1-54 (f) The chief medical officer will report immediately to the  
1-55 Texas Medical Board any action or event that the chief medical  
1-56 officer reasonably and in good faith believes constitutes a  
1-57 compromise of the independent medical judgment of a physician in  
1-58 caring for a patient.

1-59 (g) The board may not delegate to the district administrator  
1-60 the authority to hire a physician.

1-61 (h) This section may not be construed as authorizing the  
1-62 board to supervise or control the practice of medicine as  
1-63 prohibited under Subtitle B, Title 3, Occupations Code.

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

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