

SENATE AMENDMENTS

2nd Printing

By: Coleman

H.B. No. 1568

A BILL TO BE ENTITLED

AN ACT

1
2 relating to authority of the Harris County Hospital District and
3 certain local governmental entities to appoint, contract for, or
4 employ physicians.

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

6 SECTION 1. Subchapter B, Chapter 281, Health and Safety
7 Code, is amended by adding Section 281.0283 to read as follows:

8 Sec. 281.0283. HARRIS COUNTY HOSPITAL DISTRICT; EMPLOYMENT
9 OF PHYSICIANS. (a) The board of the Harris County Hospital
10 District may appoint, contract for, or employ physicians as the
11 board considers necessary for the efficient operation of the
12 district.

13 (b) The term of an employment contract entered into under
14 this section may not exceed four years.

15 (c) This section may not be construed as authorizing the
16 board of the Harris County Hospital District to supervise or
17 control the practice of medicine, as prohibited by Subtitle B,
18 Title 3, Occupations Code.

19 (d) The authority granted to the board of the Harris County
20 Hospital District under Subsection (a) to employ physicians shall
21 apply as necessary for the district to fulfill the district's
22 statutory mandate to provide medical care for the indigent and
23 needy residents of the district as provided by Section 281.046.

24 (e) The medical executive board of the Harris County

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

5 (f) The policies adopted by the medical executive board
6 under this section must include:

7 (1) policies relating to:

8 (A) governance of the medical executive board;

9 (B) credentialing;

10 (C) quality assurance;

11 (D) utilization review;

12 (E) peer review;

13 (F) medical decision-making; and

14 (G) due process; and

15 (2) rules requiring the disclosure of financial
16 conflicts of interest by a member of the medical executive board.

17 (g) The medical executive board and the board of the Harris
18 County Hospital District shall jointly develop and implement a
19 conflict management process to resolve any conflict between a
20 policy adopted by the medical executive board under this section
21 and a policy of the Harris County Hospital District.

22 (h) A member of the medical executive board who is a
23 physician shall provide biennially to the chair of the medical
24 executive board a signed, verified statement indicating that the
25 board member:

26 (1) is licensed by the Texas Medical Board;

27 (2) will exercise independent medical judgment in all

1 medical executive board matters, including matters relating to:

2 (A) credentialing;

3 (B) quality assurance;

4 (C) utilization review;

5 (D) peer review;

6 (E) medical decision-making; and

7 (F) due process;

8 (3) will exercise the board member's best efforts to
9 ensure compliance with the policies that are adopted or established
10 by the medical executive board; and

11 (4) will report immediately to the Texas Medical Board
12 any action or event that the board member reasonably and in good
13 faith believes constitutes a compromise of the independent medical
14 judgment of a physician in caring for a patient.

15 (i) For all matters relating to the practice of medicine,
16 each physician employed by the Harris County Hospital District
17 shall ultimately report to the chair of the medical executive board
18 for the district.

19 SECTION 2. Subchapter C, Chapter 351, Local Government
20 Code, is amended by adding Section 351.045 to read as follows:

21 Sec. 351.045. COUNTY HEALTH CARE SERVICES; EMPLOYMENT OF
22 PHYSICIANS. (a) The commissioners court of a county may appoint,
23 contract for, or employ physicians to provide health care services
24 to inmates in the custody of the sheriff.

25 (b) This section may not be construed as authorizing the
26 commissioners court to supervise or control the practice of
27 medicine, as prohibited by 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.

ADOPTED

MAY 23 2011

Atty. Gen.
Secretary of the Senate

By: *Mario Gallego Jr.*

H.B. No. 1568

Substitute the following for H.B. No. 1568:

By: *M. Gallego*

C.S. H.B. No. 1568

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of certain local governmental entities in
3 certain populous counties to appoint, contract for, or employ
4 physicians.

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

6 SECTION 1. Subchapter B, Chapter 281, Health and Safety
7 Code, is amended by adding Section 281.0283 to read as follows:

8 Sec. 281.0283. HARRIS COUNTY HOSPITAL DISTRICT; EMPLOYMENT
9 OF PHYSICIANS. (a) The board of the Harris County Hospital
10 District may appoint, contract for, or employ physicians as the
11 board considers necessary for the efficient operation of the
12 district.

13 (b) The term of an employment contract entered into under
14 this section may not exceed four years.

15 (c) This section may not be construed as authorizing the
16 board of the Harris County Hospital District to supervise or
17 control the practice of medicine, as prohibited by Subtitle B,
18 Title 3, Occupations Code.

19 (d) The authority granted to the board of the Harris County
20 Hospital District under Subsection (a) to employ physicians shall
21 apply as necessary for the district to fulfill the district's
22 statutory mandate to provide medical care for the indigent and
23 needy residents of the district as provided by Section 281.046.

24 (e) The medical executive board of the Harris County

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

5 (f) The policies adopted by the medical executive board
6 under this section must include:

- 7 (1) policies relating to:
8 (A) governance of the medical executive board;
9 (B) credentialing;
10 (C) quality assurance;
11 (D) utilization review;
12 (E) peer review;
13 (F) medical decision-making; and
14 (G) due process; and
15 (2) rules requiring the disclosure of financial
16 conflicts of interest by a member of the medical executive board.

17 (g) The medical executive board and the board of the Harris
18 County Hospital District shall jointly develop and implement a
19 conflict management process to resolve any conflict between a
20 policy adopted by the medical executive board under this section
21 and a policy of the Harris County Hospital District.

22 (h) A member of the medical executive board who is a
23 physician shall provide biennially to the chair of the medical
24 executive board a signed, verified statement indicating that the
25 board member:

- 26 (1) is licensed by the Texas Medical Board;
27 (2) will exercise independent medical judgment in all

1 medical executive board matters, including matters relating to:

2 (A) credentialing;

3 (B) quality assurance;

4 (C) utilization review;

5 (D) peer review;

6 (E) medical decision-making; and

7 (F) due process;

8 (3) will exercise the board member's best efforts to
9 ensure compliance with the policies that are adopted or established
10 by the medical executive board; and

11 (4) will report immediately to the Texas Medical Board
12 any action or event that the board member reasonably and in good
13 faith believes constitutes a compromise of the independent medical
14 judgment of a physician in caring for a patient.

15 (i) For all matters relating to the practice of medicine,
16 each physician employed by the Harris County Hospital District
17 shall ultimately report to the chair of the medical executive board
18 for the district.

19 SECTION 2. Subchapter C, Chapter 351, Local Government
20 Code, is amended by adding Section 351.045 to read as follows:

21 Sec. 351.045. HEALTH CARE SERVICES IN CERTAIN COUNTIES;
22 EMPLOYMENT OF PHYSICIANS. (a) The commissioners court of a county
23 with a population of 3.3 million or more may appoint, contract for,
24 or employ physicians to provide health care services to inmates in
25 the custody of the sheriff.

26 (b) This section may not be construed as authorizing the
27 commissioners court to supervise or control the practice of

1 medicine, as prohibited by Subtitle B, Title 3, Occupations Code.

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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 24, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1568 by Coleman (Relating to the authority of certain local governmental entities in certain populous counties to appoint, contract for, or employ physicians.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to authorize the Harris County Hospital District to appoint, contract for or employ physicians as necessary to fulfill the district's statutory mandate to provide medical care for the indigent and needy residents of the district.

The bill would amend the Local Government Code to authorize the commissioners court of a county with a population of 3.3 million or more to appoint, contract for, or employ physicians to provide health care services to inmates in the custody of the sheriff.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, SD, KKR, TP

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 19, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1568 by Coleman (Relating to authority of the Harris County Hospital District and certain local governmental entities to appoint, contract for, or employ physicians.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to authorize the Harris County Hospital District to appoint, contract for or employ physicians as necessary to fulfill the district's statutory mandate to provide medical care for the indigent and needy residents of the district.

The bill would amend the Local Government Code to authorize the commissioners court of a county with a population of 3.3 million or more to appoint, contract for, or employ physicians to provide health care services to inmates in the custody of the sheriff.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, TP

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 17, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1568 by Coleman (Relating to authority of the Harris County Hospital District and certain local governmental entities to appoint, contract for, or employ physicians.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to authorize the Harris County Hospital District to appoint, contract for or employ physicians as necessary to fulfill the district's statutory mandate to provide medical care for the indigent and needy residents of the district.

The bill would amend the Local Government Code to authorize the commissioners court of a county to appoint, contract for, or employ physicians to provide health care services to inmates in the custody of the sheriff.

Local Government Impact

There could be a fiscal impact to a county authorized to appoint, contract for, or employ physicians to provide health care services, but the amounts would vary depending on procedures currently established in a county. It is assumed that a county would employ physicians to provide health care services only if sufficient funds were available or it would not result in a negative fiscal impact.

Source Agencies:

LBB Staff: JOB, KKR, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 28, 2011

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1568 by Coleman (relating to authority of the Harris County Hospital District and certain local governmental entities to appoint, contract for, or employ physicians.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to authorize the Harris County Hospital District to appoint, contract for or employ physicians as necessary to fulfill the district's statutory mandate to provide medical care for the indigent and needy residents of the district.

The bill would amend the Local Government Code to authorize the commissioners court of a county to appoint, contract for, or employ physicians to provide health care services to inmates in the custody of the sheriff.

Local Government Impact

There could be a fiscal impact to a county authorized to appoint, contract for, or employ physicians to provide health care services, but the amounts would vary depending on procedures currently established in a county. It is assumed that a county would employ physicians to provide health care services only if sufficient funds were available or it would not result in a negative fiscal impact.

Source Agencies:

LBB Staff: JOB, KKR, TP

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 4, 2011

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1568 by Coleman (Relating to the authority of certain local governmental entities in certain populous counties to appoint, contract for, or employ physicians.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, TP