

1-1 By: Bonnen of Brazoria (Senate Sponsor - Taylor) H.B. No. 3905
1-2 (In the Senate - Received from the House May 3, 2013;
1-3 May 3, 2013, read first time and referred to Committee on
1-4 Administration; May 17, 2013, reported favorably by the following
1-5 vote: Yeas 4, Nays 0; May 17, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10			X	
1-11	X			
1-12			X	
1-13			X	
1-14	X			

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the Angleton-Danbury Hospital District of Brazoria
1-18 County, Texas.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Section 1002.051(f), Special District Local Laws
1-21 Code, is amended to read as follows:

1-22 (f) Directors serve staggered four-year terms. The
1-23 district shall hold an election each odd-numbered year to elect the
1-24 appropriate number of directors [two-year terms unless four-year
1-25 terms are established under Section 285.081, Health and Safety
1-26 Code. If the directors serve two-year terms, the terms of directors
1-27 elected to odd-numbered positions expire in even-numbered years and
1-28 the terms of directors elected to even-numbered positions expire in
1-29 odd-numbered years].

1-30 SECTION 2. Section 1002.058, Special District Local Laws
1-31 Code, is amended to read as follows:

1-32 Sec. 1002.058. ~~[STAFF PHYSICIAN]~~ OFFICE FACILITIES. (a)
1-33 In this section, "licensed health care professional" means any
1-34 individual who is licensed or certified by or registered in this
1-35 state to provide health care.

1-36 (b) The board shall determine the type, number, and location
1-37 of buildings necessary to establish and maintain office facilities
1-38 for staff physicians, physicians employed under Section 1002.061,
1-39 and other licensed health care professionals to provide adequate
1-40 health [medical] care services for the district within the licensed
1-41 health care professionals' scope of license.

1-42 (c) ~~[(b)]~~ The board may:

1-43 (1) acquire property and equipment and construct
1-44 facilities for the district for use by staff physicians, physicians
1-45 employed under Section 1002.061, and other licensed health care
1-46 professionals; and

1-47 (2) mortgage or pledge the property, equipment, or
1-48 facilities as security for the payment of the purchase price or
1-49 construction cost.

1-50 (d) ~~[(c)]~~ The board may lease the office facilities and
1-51 equipment to staff physicians, physicians employed under Section
1-52 1002.061, and other licensed health care professionals or may sell
1-53 or otherwise dispose of the property, facilities, and equipment.

1-54 SECTION 3. Subchapter B, Chapter 1002, Special District
1-55 Local Laws Code, is amended by adding Section 1002.061 to read as
1-56 follows:

1-57 Sec. 1002.061. EMPLOYMENT OF PHYSICIANS. (a) The board may
1-58 employ a physician and retain all or part of the professional income
1-59 generated by the physician for medical services provided at a
1-60 hospital or other health care facility owned or operated by the
1-61 district if the board satisfies the requirements of this section.

2-1 (b) The board shall:

2-2 (1) appoint a chief medical officer for the district
2-3 who has been recommended by the medical staff of the district; and

2-4 (2) adopt, maintain, and enforce policies to ensure
2-5 that a physician employed by the district exercises the physician's
2-6 independent medical judgment in providing care to patients.

2-7 (c) The policies adopted under this section must include:

2-8 (1) policies relating to:

2-9 (A) credentialing and privileges;

2-10 (B) quality assurance;

2-11 (C) utilization review;

2-12 (D) peer review and due process; and

2-13 (E) medical decision-making; and

2-14 (2) the implementation of a complaint mechanism to
2-15 process and resolve complaints regarding interference or attempted
2-16 interference with a physician's independent medical judgment.

2-17 (d) The policies adopted under this section must be approved
2-18 by the medical staff of the hospital. In the event of a conflict
2-19 between a policy adopted by the board and approved by the medical
2-20 staff under this section and a policy of the hospital, a conflict
2-21 management process shall be jointly developed by the medical staff
2-22 of the hospital and the board and implemented to resolve that
2-23 conflict.

2-24 (e) For all matters relating to the practice of medicine,
2-25 each physician employed by the district shall ultimately report to
2-26 the chief medical officer of the district.

2-27 (f) The chief medical officer shall notify the Texas Medical
2-28 Board that the board is employing physicians under this section and
2-29 that the chief medical officer is the board's designated contact
2-30 with the Texas Medical Board. The chief medical officer shall
2-31 immediately report to the Texas Medical Board any action or event
2-32 that the chief medical officer reasonably and in good faith
2-33 believes constitutes a compromise of the independent medical
2-34 judgment of a physician in caring for a patient.

2-35 (g) The board shall give equal consideration regarding the
2-36 issuance of medical staff membership and privileges to physicians
2-37 employed by the district and physicians not employed by the
2-38 district.

2-39 (h) A physician employed by the district shall retain
2-40 independent medical judgment in providing care to patients and may
2-41 not be disciplined for reasonably advocating for patient care.

2-42 (i) If the district provides professional liability
2-43 coverage for physicians employed by the district, a physician
2-44 employed by the district may participate in the selection of the
2-45 professional liability coverage, has the right to an independent
2-46 defense at the physician's own cost, and retains the right to
2-47 consent to the settlement of any action or proceeding brought
2-48 against the physician.

2-49 (j) If a physician employed by the district enters into an
2-50 employment agreement that includes a covenant not to compete, the
2-51 agreement is subject to Section 15.50, Business & Commerce Code,
2-52 and any other applicable provision.

2-53 (k) The board may not delegate to the chief executive
2-54 officer of the district the authority to hire, terminate, or make
2-55 any other personnel decisions relating to a physician.

2-56 (l) This section applies to medical services provided by a
2-57 physician at a hospital or other health care facility owned or
2-58 operated by the district.

2-59 (m) This section may not be construed as authorizing the
2-60 board to supervise or control the practice of medicine as
2-61 prohibited under Subtitle B, Title 3, Occupations Code.

2-62 SECTION 4. Section 1002.251, Special District Local Laws
2-63 Code, is amended to read as follows:

2-64 Sec. 1002.251. DEPOSITORY. The [As soon as practicable
2-65 after the creation election results favorably to the creation of
2-66 the district, the] board shall by resolution designate a bank
2-67 within the county as the district's depository, and all funds of the
2-68 district shall be secured in the manner provided for the security of
2-69 county funds. Such depository shall serve for a period of five

3-1 [~~two~~] years and until a successor has been selected.

3-2 SECTION 5. Section 1002.252(b), Special District Local Laws
3-3 Code, is amended to read as follows:

3-4 (b) To secure a loan or line of credit, the board may pledge:

3-5 (1) revenue of the district that is not pledged to pay
3-6 the district's bonded indebtedness;

3-7 (2) taxes to be imposed by the district in the next
3-8 12-month period that are not pledged to pay the principal of or
3-9 interest on district bonds; or

3-10 (3) district bonds that have been authorized but not
3-11 sold.

3-12 SECTION 6. (a) Notwithstanding Section 1002.051, Special
3-13 District Local Laws Code, as amended by this Act, an election of the
3-14 board of directors of the Angleton-Danbury Hospital District of
3-15 Brazoria County, Texas, shall be held in May 2014, and the directors
3-16 elected to places 1, 3, 5, 7, and 9 at the election shall serve
3-17 three-year terms.

3-18 (b) The election of the board of directors scheduled to be
3-19 held in May 2015 must be held, and the directors elected to places
3-20 2, 4, 6, and 8 at that election shall serve four-year terms.

3-21 (c) The directors elected at the elections to be held in May
3-22 2017 and May 2019 shall serve four-year terms.

3-23 SECTION 7. (a) Except as provided by Subsection (b) of this
3-24 section:

3-25 (1) this Act takes effect immediately if it receives a
3-26 vote of two-thirds of all the members elected to each house, as
3-27 provided by Section 39, Article III, Texas Constitution; and

3-28 (2) if this Act does not receive the vote necessary for
3-29 immediate effect, this Act takes effect September 1, 2013.

3-30 (b) Section 1002.051, Special District Local Laws Code, as
3-31 amended by this Act, takes effect January 1, 2014.

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