

By: Hughes, Bonnen of Galveston, Spitzer

H.B. No. 3804

Substitute the following for H.B. No. 3804:

By: Cook

C.S.H.B. No. 3804

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the regulation of certain health organizations
3 certified by the Texas Medical Board; adding provisions subject to
4 a criminal penalty.

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

6 SECTION 1. Section 162.0021, Occupations Code, is amended
7 to read as follows:

8 Sec. 162.0021. INTERFERENCE WITH PHYSICIAN'S PROFESSIONAL
9 JUDGMENT PROHIBITED. (a) A health organization certified under
10 Section 162.001(b) may not interfere with, control, or otherwise
11 direct a physician's professional judgment in violation of this
12 subchapter or any other provision of law, including board rules.

13 (b) A health organization that violates Subsection (a) is
14 subject to the penalties prescribed by Section 162.003, including
15 the revocation of a certification issued under Section 162.001 to
16 that organization.

17 (c) A physician or chief medical officer who provides
18 professional medical services for a health organization that
19 violates Subsection (a) shall report the violation to the board and
20 the attorney general for investigation.

21 (d) Any person who is employed by or otherwise affiliated
22 with a health organization that violates Subsection (a) and is
23 familiar with a chief medical officer's failure to report the
24 violation as required by Subsection (c) shall report to the board

1 and the attorney general the failure of the chief medical officer to
2 report the violation.

3 (e) A chief medical officer, as a physician licensed by the
4 board, is accountable to the board for the chief medical officer's
5 failure to report.

6 SECTION 2. Section 162.0023, Occupations Code, is amended
7 to read as follows:

8 Sec. 162.0023. DISCIPLINARY ACTION RESTRICTION. (a) A
9 physician employed by or otherwise affiliated with a health
10 organization certified under Section 162.001(b) retains
11 independent medical judgment in providing care to patients, and the
12 health organization may not discipline the physician for reasonably
13 advocating for patient care.

14 (b) A health organization that violates Subsection (a) is
15 subject to the penalties prescribed by Section 162.003, including
16 the revocation of a certification issued under Section 162.001 to
17 that organization.

18 (c) A physician or chief medical officer who provides
19 professional medical services for a health organization that
20 violates Subsection (a) shall report the violation to the board and
21 the attorney general for investigation.

22 (d) Any person who is employed by or otherwise affiliated
23 with a health organization that violates Subsection (a) and is
24 familiar with a chief medical officer's failure to report the
25 violation as required by Subsection (c) shall report to the board
26 and the attorney general the failure of the chief medical officer to
27 report the violation.

1 (e) A chief medical officer, as a physician licensed by the
2 board, is accountable to the board for the chief medical officer's
3 failure to report.

4 SECTION 3. The changes in law made by this Act to Sections
5 162.0021 and 162.0023, Occupations Code, apply only to a violation
6 by a health organization that occurs on or after the effective date
7 of this Act. A violation that occurs before the effective date of
8 this Act is governed by the law in effect on the date the violation
9 occurred, and the former law is continued in effect for that
10 purpose.

11 SECTION 4. This Act takes effect September 1, 2015.