



17 JUL 23 PM 1:45

FLOOR AMENDMENT NO. \_\_\_\_\_

BY: 

1 Amend H.B. No. 1 (house committee printing) by adding the  
2 following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_. (a) Section 162.003, Occupations Code, is  
5 amended to read as follows:

6 Sec. 162.003. REFUSAL TO CERTIFY; REVOCATION; PENALTY. On  
7 a determination that a health organization commits a violation  
8 of this subtitle or is established, organized, or operated in  
9 violation of or with the intent to violate this subtitle, the  
10 board may:

11 (1) refuse to certify the health organization on  
12 application for certification by the organization under Section  
13 162.001;

14 (2) revoke a certification made under Section 162.001  
15 to that organization; or

16 (3) impose an administrative penalty against the  
17 health organization under Subchapter A, Chapter 165.

18 (b) Subchapter A, Chapter 162, Occupations Code, is  
19 amended by adding Sections 162.004 and 162.005 to read as  
20 follows:

21 Sec. 162.004. PROCEDURES FOR AND DISPOSITION OF COMPLAINTS  
22 AGAINST NONPROFIT HEALTH CORPORATIONS. (a) The board shall  
23 accept and process complaints against a health organization  
24 certified under Section 162.001(b) for alleged violations of  
25 this subchapter or any other provision of this subtitle  
26 applicable to a health organization in the same manner as  
27 provided under Subchapter B, Chapter 154, and the rules adopted  
28 under that subchapter, including the requirements to:

29 (1) maintain a system to promptly and efficiently act

1 on complaints filed with the board;

2 (2) ensure that a complaint is not dismissed without  
3 appropriate consideration; and

4 (3) establish methods by which physicians employed by  
5 a health organization are notified of the name, mailing address,  
6 and telephone number of the board for the purpose of directing  
7 complaints under this section to the board.

8 (b) Each complaint, adverse report, investigation file,  
9 other investigation report, and other investigative information  
10 in the possession of or received or gathered by the board or the  
11 board's employees or agents relating to a health organization  
12 certified under Section 162.001(b) is privileged and  
13 confidential and is not subject to discovery, subpoena, or other  
14 means of legal compulsion for release to anyone other than the  
15 board or the board's employees or agents involved in the  
16 investigation or discipline of a health organization certified  
17 under Section 162.001(b).

18 (c) The board may dispose of a complaint or resolve the  
19 investigation of a complaint under this section in a manner  
20 provided under Subchapter A, Chapter 164, to the extent the  
21 board determines the provisions of that subchapter can be made  
22 applicable to a health organization certified under Section  
23 162.001.

24 (d) The board may adopt rules as necessary to implement  
25 this section.

26 Sec. 162.005. RETALIATION PROHIBITED. (a) In this  
27 section, "nonprofit health corporation" means a health  
28 organization certified under Section 162.001(b).

29 (b) A nonprofit health corporation may not, as applicable,  
30 terminate, demote, retaliate against, discipline, discriminate  
31 against, or otherwise penalize a person, a person's family

1 member, or a person's partner because the person:

2 (1) files a complaint under Section 162.004;

3 (2) reports in good faith an act or omission that the  
4 person reasonably believes is a violation or attempted violation  
5 of applicable state or federal law, including rules adopted  
6 under state or federal law, to, as appropriate:

7 (A) the nonprofit health corporation;

8 (B) a regulatory agency; or

9 (C) a law enforcement authority;

10 (3) initiates or cooperates in an investigation or  
11 proceeding of a regulatory agency or law enforcement authority  
12 relating to care or services provided by, or policies of, the  
13 nonprofit health corporation; or

14 (4) communicates to a patient information regarding  
15 medically appropriate health care.

16 (c) A nonprofit health corporation may not prohibit,  
17 restrict, or discourage a person from taking any action  
18 described by Subsection (b).

19 (d) A person who makes a report under Subsection (b)(2) is  
20 immune from civil liability for a report made in good faith.

21 (e) An employment contract between a nonprofit health  
22 corporation and a physician must contain a provision requiring  
23 the nonprofit health corporation to comply with the requirements  
24 of this section.

25 (c) Section 162.003, Occupations Code, as amended by this  
26 section, and Section 162.004, Occupations Code, as added by this  
27 section, apply only to a violation by a health organization that  
28 occurs on or after the effective date of this section. A  
29 violation that occurs before the effective date of this section  
30 is governed by the law in effect on the date the violation  
31 occurred, and the former law is continued in effect for that

1 purpose.

2 (d) Section 162.005, Occupations Code, as added by this  
3 section, applies only to an adverse action that is taken by a  
4 nonprofit health corporation on or after the effective date of  
5 this section. An adverse action taken before the effective date  
6 of this section is governed by the law in effect on the date the  
7 adverse action was taken, and the former law is continued in  
8 effect for that purpose.

9 (e) Section 162.005(e), Occupations Code, as added by this  
10 section, applies only to a contract entered into on or after the  
11 effective date of this section.

12 (f) This section takes effect December 1, 2017.