86R1701 TSR-D

By:  Meyer H.B. No. 1532

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of certain health organizations certified by the Texas Medical Board; providing an administrative penalty.

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

SECTION 1.  Section 162.003, Occupations Code, is amended to read as follows:

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

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

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

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

SECTION 2.  Subchapter A, Chapter 162, Occupations Code, is amended by adding Sections 162.004 and 162.005 to read as follows:

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

(1)  maintain a system to promptly and efficiently act on complaints filed with the board;

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

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

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

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

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

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

(b)  A nonprofit health corporation may not, as applicable, terminate, demote, retaliate against, discipline, discriminate against, or otherwise penalize a person, a person's family member, or a person's partner because the person:

(1)  files a complaint under Section 162.004;

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

(A)  the nonprofit health corporation;

(B)  a regulatory agency; or

(C)  a law enforcement authority;

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

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

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

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

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

SECTION 3.  Section 162.003, Occupations Code, as amended by this Act, and Section 162.004, Occupations Code, as added by this Act, apply only to a violation by a health organization that occurs on or after the effective date of this Act. A violation that occurs before the effective date of this Act is governed by the law in effect on the date the violation occurred, and the former law is continued in effect for that purpose.

SECTION 4.  Section 162.005, Occupations Code, as added by this Act, applies only to an adverse action that is taken by a nonprofit health corporation on or after the effective date of this Act. An adverse action taken before the effective date of this Act is governed by the law in effect on the date the adverse action was taken, and the former law is continued in effect for that purpose.

SECTION 5.  Section 162.005(e), Occupations Code, as added by this Act, applies only to a contract entered into on or after the effective date of this Act.

SECTION 6.  This Act takes effect September 1, 2019.