

1-1 By: Frullo (Senate Sponsor - Perry) H.B. No. 3463  
 1-2 (In the Senate - Received from the House April 15, 2019;  
 1-3 April 16, 2019, read first time and referred to Committee on  
 1-4 Intergovernmental Relations; May 15, 2019, reported favorably by  
 1-5 the following vote: Yeas 7, Nays 0; May 15, 2019, 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 authority of the Lubbock County Hospital District of  
 1-18 Lubbock County, Texas, to employ physicians.

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

1-20 SECTION 1. Subchapter B, Chapter 1053, Special District  
 1-21 Local Laws Code, is amended by adding Section 1053.0601 to read as  
 1-22 follows:

1-23 Sec. 1053.0601. EMPLOYMENT OF PHYSICIANS TO PROVIDE CERTAIN  
 1-24 HOSPITAL-BASED SERVICES. (a) For purposes of this section,  
 1-25 "hospital-based services" means the following services when  
 1-26 provided at a hospital:

- 1-27 (1) emergency medicine;
- 1-28 (2) general medicine practiced by a hospitalist; and
- 1-29 (3) radiology services.

1-30 (b) The board may employ physicians as the board considers  
 1-31 necessary to provide hospital-based services at a hospital owned or  
 1-32 operated by the district as provided by this section. The board may  
 1-33 retain all or part of the professional income generated by a  
 1-34 physician employed by the district for those hospital-based  
 1-35 services if the board satisfies the requirements of this section.

1-36 (c) The term of an employment contract entered into under  
 1-37 this section may not exceed five years.

1-38 (d) This section may not be construed as authorizing the  
 1-39 board to:

- 1-40 (1) supervise or control the practice of medicine, as  
 1-41 prohibited by Subtitle B, Title 3, Occupations Code; or
- 1-42 (2) employ physicians for any purpose other than the  
 1-43 provision of hospital-based services at a hospital owned or  
 1-44 operated by the district.

1-45 (e) The authority granted to the board under Subsection (b)  
 1-46 to employ physicians shall apply as necessary for the district to  
 1-47 fulfill the district's statutory mandate to provide medical and  
 1-48 hospital care to the district's residents, including the district's  
 1-49 needy and indigent residents, as provided by Sections 1053.101 and  
 1-50 1053.104.

1-51 (f) The medical executive committee of the district shall  
 1-52 adopt, maintain, and enforce policies to ensure that a physician  
 1-53 employed by the district exercises the physician's independent  
 1-54 medical judgment in providing care to patients.

1-55 (g) The policies adopted by the medical executive committee  
 1-56 under this section must include:

- 1-57 (1) policies relating to:
- 1-58 (A) governance of the medical executive  
 1-59 committee;
- 1-60 (B) credentialing;
- 1-61 (C) quality assurance;

- 2-1 (D) utilization review;
- 2-2 (E) peer review;
- 2-3 (F) medical decision-making; and
- 2-4 (G) due process; and

2-5 (2) rules requiring the disclosure of financial  
 2-6 conflicts of interest by a member of the medical executive  
 2-7 committee.

2-8 (h) The medical executive committee and the board shall  
 2-9 jointly develop and implement a conflict management process to  
 2-10 resolve any conflict between a policy adopted by the medical  
 2-11 executive committee under this section and a policy of the  
 2-12 district.

2-13 (i) A member of the medical executive committee who is a  
 2-14 physician shall provide biennially to the chair of the medical  
 2-15 executive committee a signed, verified statement indicating that  
 2-16 the committee member:

- 2-17 (1) is licensed by the Texas Medical Board;
- 2-18 (2) will exercise independent medical judgment in all  
 2-19 medical executive committee matters, including matters relating  
 2-20 to:

- 2-21 (A) credentialing;
- 2-22 (B) quality assurance;
- 2-23 (C) utilization review;
- 2-24 (D) peer review;
- 2-25 (E) medical decision-making; and
- 2-26 (F) due process;

2-27 (3) will exercise the committee member's best efforts  
 2-28 to ensure compliance with the policies that are adopted or  
 2-29 established by the medical executive committee; and

2-30 (4) will report immediately to the Texas Medical Board  
 2-31 any action or event that the committee member reasonably and in good  
 2-32 faith believes constitutes a compromise of the independent medical  
 2-33 judgment of a physician in caring for a patient.

2-34 (j) For all matters relating to the practice of medicine,  
 2-35 each physician employed by the district shall ultimately report to  
 2-36 the chair of the medical executive committee for the district.

2-37 SECTION 2. This Act takes effect immediately if it receives  
 2-38 a vote of two-thirds of all the members elected to each house, as  
 2-39 provided by Section 39, Article III, Texas Constitution. If this  
 2-40 Act does not receive the vote necessary for immediate effect, this  
 2-41 Act takes effect September 1, 2019.

2-42 \* \* \* \* \*