

AN ACT

relating to the authority of rural hospitals to establish a health care collaborative.

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

SECTION 1. Section 848.001, Insurance Code, is amended by amending Subdivision (2) and adding Subdivision (10) to read as follows:

(2) "Health care collaborative" means an entity:

(A) that undertakes to arrange for medical and health care services for insurers, health maintenance organizations, and other payors in exchange for payments in cash or in kind;

(B) that accepts and distributes payments for medical and health care services;

(C) that consists of:

(i) physicians;

(ii) rural hospitals;

(iii) physicians and other health care providers;

(iv) [~~(iii)~~] physicians and insurers or health maintenance organizations; or

(v) [~~(iv)~~] physicians, other health care providers, and insurers or health maintenance organizations; and

(D) that is certified by the commissioner under

1 this chapter to lawfully accept and distribute payments to
2 physicians and other health care providers using the reimbursement
3 methodologies authorized by this chapter.

4 (10) "Rural hospital" means a licensed hospital with
5 75 beds or fewer that:

6 (A) is located in a county with a population of
7 50,000 or less; or

8 (B) has been designated by the Centers for
9 Medicare and Medicaid Services as a critical access hospital, rural
10 referral center, or sole community hospital.

11 SECTION 2. Section [848.052](#), Insurance Code, is amended by
12 adding Subsection (c-1) to read as follows:

13 (c-1) If the participants in a health care collaborative are
14 all rural hospitals, each member of the board of directors must be a
15 representative of a participant.

16 SECTION 3. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section [39](#), Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2019.

H.B. No. 3934

President of the Senate

Speaker of the House

I certify that H.B. No. 3934 was passed by the House on May 3, 2019, by the following vote: Yeas 140, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3934 was passed by the Senate on May 21, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor