

By: Watson
(Howard)

S.B. No. 1142

A BILL TO BE ENTITLED

AN ACT

relating to authority of the Travis County Healthcare District to
appoint, contract for, or employ physicians.

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

SECTION 1. Subchapter B, Chapter 281, Health and Safety
Code, is amended by adding Section 281.02815 to read as follows:

Sec. 281.02815. EMPLOYMENT OF PHYSICIANS BY CERTAIN
HOSPITAL DISTRICTS. (a) This section applies only to a district
created in a county with a population of more than 800,000 that was
not included in the boundaries of a hospital district before
September 1, 2003.

(b) In addition to the authority to employ physicians under
Section 281.0281 in the manner and for the purposes provided by that
section, the board of the district may appoint, contract for, or
employ physicians as the board considers necessary for the
efficient operation of the district.

(c) The term of an employment contract entered into under
this section may not exceed four years.

(d) This section may not be construed as authorizing the
board to supervise or control the practice of medicine, as
prohibited by Subtitle B, Title 3, Occupations Code.

(e) The authority granted to the board under Subsection (b)
to employ physicians shall apply as necessary for the district to
fulfill the district's statutory mandate to provide medical care

1 for the indigent and needy residents of the district as provided by
2 Section 281.046.

3 (f) The medical executive board of the district shall adopt,
4 maintain, and enforce policies to ensure that a physician employed
5 by the district under this section exercises the physician's
6 independent medical judgment in providing care to patients.

7 (g) The policies adopted by the medical executive board
8 under this section must include:

9 (1) policies relating to:

10 (A) governance of the medical executive board;

11 (B) credentialing;

12 (C) quality assurance;

13 (D) utilization review;

14 (E) peer review;

15 (F) medical decision-making; and

16 (G) due process; and

17 (2) rules requiring the disclosure of financial
18 conflicts of interest by a member of the medical executive board.

19 (h) The medical executive board and the board of the
20 district shall jointly develop and implement a conflict management
21 process to resolve any conflict between a policy adopted by the
22 medical executive board under this section and a policy of the
23 district.

24 (i) A member of the medical executive board who is a
25 physician shall provide biennially to the chair of the medical
26 executive board a signed, verified statement indicating that the
27 board member:

1 (1) is licensed by the Texas Medical Board;

2 (2) will exercise independent medical judgment in all
3 medical executive board matters, including matters relating to:

4 (A) credentialing;

5 (B) quality assurance;

6 (C) utilization review;

7 (D) peer review;

8 (E) medical decision-making; and

9 (F) due process;

10 (3) will exercise the board member's best efforts to
11 ensure compliance with the policies that are adopted or established
12 by the medical executive board; and

13 (4) will report immediately to the Texas Medical Board
14 any action or event that the board member reasonably and in good
15 faith believes constitutes a compromise of the independent medical
16 judgment of a physician in caring for a patient.

17 (j) For all matters relating to the practice of medicine,
18 each physician employed by the district under this section shall
19 ultimately report to the chair of the medical executive board for
20 the district.

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