

1-1 By: Watson S.B. No. 1142  
1-2 (In the Senate - Filed February 26, 2019; March 7, 2019,  
1-3 read first time and referred to Committee on Intergovernmental  
1-4 Relations; April 3, 2019, reported favorably by the following  
1-5 vote: Yeas 6, Nays 0; April 3, 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 Travis County Healthcare District to  
1-18 appoint, contract for, or employ physicians.

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

1-20 SECTION 1. Subchapter B, Chapter 281, Health and Safety  
1-21 Code, is amended by adding Section 281.02815 to read as follows:

1-22 Sec. 281.02815. EMPLOYMENT OF PHYSICIANS BY CERTAIN  
1-23 HOSPITAL DISTRICTS. (a) This section applies only to a district  
1-24 created in a county with a population of more than 800,000 that was  
1-25 not included in the boundaries of a hospital district before  
1-26 September 1, 2003.

1-27 (b) In addition to the authority to employ physicians under  
1-28 Section 281.0281 in the manner and for the purposes provided by that  
1-29 section, the board of the district may appoint, contract for, or  
1-30 employ physicians as the board considers necessary for the  
1-31 efficient operation of the district.

1-32 (c) The term of an employment contract entered into under  
1-33 this section may not exceed four years.

1-34 (d) This section may not be construed as authorizing the  
1-35 board to supervise or control the practice of medicine, as  
1-36 prohibited by Subtitle B, Title 3, Occupations Code.

1-37 (e) The authority granted to the board under Subsection (b)  
1-38 to employ physicians shall apply as necessary for the district to  
1-39 fulfill the district's statutory mandate to provide medical care  
1-40 for the indigent and needy residents of the district as provided by  
1-41 Section 281.046.

1-42 (f) The medical executive board of the district shall adopt,  
1-43 maintain, and enforce policies to ensure that a physician employed  
1-44 by the district under this section exercises the physician's  
1-45 independent medical judgment in providing care to patients.

1-46 (g) The policies adopted by the medical executive board  
1-47 under this section must include:

1-48 (1) policies relating to:

1-49 (A) governance of the medical executive board;

1-50 (B) credentialing;

1-51 (C) quality assurance;

1-52 (D) utilization review;

1-53 (E) peer review;

1-54 (F) medical decision-making; and

1-55 (G) due process; and

1-56 (2) rules requiring the disclosure of financial  
1-57 conflicts of interest by a member of the medical executive board.

1-58 (h) The medical executive board and the board of the  
1-59 district shall jointly develop and implement a conflict management  
1-60 process to resolve any conflict between a policy adopted by the  
1-61 medical executive board under this section and a policy of the

2-1 district.

2-2 (i) A member of the medical executive board who is a  
2-3 physician shall provide biennially to the chair of the medical  
2-4 executive board a signed, verified statement indicating that the  
2-5 board member:

2-6 (1) is licensed by the Texas Medical Board;

2-7 (2) will exercise independent medical judgment in all  
2-8 medical executive board matters, including matters relating to:

2-9 (A) credentialing;

2-10 (B) quality assurance;

2-11 (C) utilization review;

2-12 (D) peer review;

2-13 (E) medical decision-making; and

2-14 (F) due process;

2-15 (3) will exercise the board member's best efforts to  
2-16 ensure compliance with the policies that are adopted or established  
2-17 by the medical executive board; and

2-18 (4) will report immediately to the Texas Medical Board  
2-19 any action or event that the board member reasonably and in good  
2-20 faith believes constitutes a compromise of the independent medical  
2-21 judgment of a physician in caring for a patient.

2-22 (j) For all matters relating to the practice of medicine,  
2-23 each physician employed by the district under this section shall  
2-24 ultimately report to the chair of the medical executive board for  
2-25 the district.

2-26 SECTION 2. This Act takes effect immediately if it receives  
2-27 a vote of two-thirds of all the members elected to each house, as  
2-28 provided by Section 39, Article III, Texas Constitution. If this  
2-29 Act does not receive the vote necessary for immediate effect, this  
2-30 Act takes effect September 1, 2019.

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