

BILL ANALYSIS

S.B. 833
By: Hughes
Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to interested parties, many physicians have become increasingly alarmed that certified nonprofit healthcare corporations are attempting to direct the manner in which patient care is provided. The parties point out that despite the protections in place, physicians are sometimes subject to unreasonable directives and punishment by administrative leadership. S.B. 833 seeks to prevent this type of administrative interference and protect physicians.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Medical Board in SECTION 2 of this bill.

ANALYSIS

S.B. 833 amends the Occupations Code to include committing a violation of the Medical Practice Act among the grounds on which the Texas Medical Board may refuse to certify, revoke the certification of, or impose an administrative penalty against a nonprofit health organization.

S.B. 833 requires the board to accept and process complaints against a certified nonprofit health corporation for alleged violations of statutory provisions relating to such nonprofit health corporations or any other provision of the Medical Practice Act applicable to a health organization in the same manner as provided by state law and board rules for other complaints filed with the board, including the requirements to maintain a system to promptly and efficiently act on complaints filed with the board, ensure that a complaint is not dismissed without appropriate consideration, and 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 to the board. The bill makes privileged and confidential 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 certified nonprofit health corporation and establishes that such information 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 certified nonprofit health corporation. The bill authorizes the board to dispose of a complaint or resolve the investigation of a complaint in a manner provided under state law regarding the board's general disciplinary authority, to the extent the board determines the law can be made applicable to a certified nonprofit health corporation. The bill authorizes the board to adopt rules as necessary to implement the bill's provisions relating to procedures for and disposition of complaints against nonprofit health corporations.

S.B. 833 prohibits a certified nonprofit health corporation from, as applicable, terminating, demoting, retaliating against, disciplining, discriminating against, or otherwise penalizing a person, a person's family member, or a person's partner because the person files a complaint under the bill's provisions; 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, the nonprofit health corporation, a regulatory agency, or a law enforcement authority; 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 communicates to a patient information regarding medically appropriate health care. The bill prohibits a certified nonprofit health corporation from prohibiting, restricting, or discouraging a person from taking any such action and grants a person who makes such a report in good faith immunity from civil liability. The bill requires an employment contract between a certified nonprofit health corporation and a physician to contain a provision requiring the nonprofit health corporation to comply with the bill's requirements relating to prohibited retaliation.

EFFECTIVE DATE

September 1, 2017.