

BILL ANALYSIS

Senate Research Center
82R8084 CJC-F

S.B. 1263
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Intergovernmental Relations
4/19/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Bexar County Hospital District, doing business as the University Health System, has developed a network of community-oriented primary care health centers that extend primary care, prevention, and wellness services throughout Bexar County. Through this network, University Health System has demonstrated reductions in costly and avoidable emergency room visits and preventable in-patient admissions. University Hospital is one of just 15 level 1 trauma centers in Texas, and the lead trauma center for all of South Texas. It is the only hospital in San Antonio able to provide expert trauma care for critically injured and burned children. The Emergency Center at University Hospital is the busiest in the region and averages nearly 70,000 visits each year.

In order to meet the needs of the patients seeking primary care services, University Health Systems needs the flexibility to employ physicians. Since the early 1990s, however, the State of Texas has recognized a ban on the corporate practice of medicine, which prevents corporate entities from employing physicians, dentists, and other health care providers. In light of the existing prohibition against employing physicians directly, University Health System created a Texas Medical Board-certified nonprofit health organization as a means to ensure the availability of physicians to provide care for the Bexar County population in accordance with its statutory mandate.

S.B. 1263 amends current law by granting authority to the Bexar County Hospital District to employ physicians through a third-party agreement with a nonprofit health organization, certified by the Texas Medical Board.

As proposed, S.B. 1263 amends current law relating to the authority of the Bexar County Hospital District to employ physicians.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 281, Health and Safety Code, by adding Section 281.0283, as follows:

Sec. 281.0283. BEXAR COUNTY HOSPITAL DISTRICT; EMPLOYMENT OF PHYSICIANS. (a) Authorizes the board of the Bexar County Hospital District (board; district) to employ physicians as the board considers necessary for the efficient operation of the district.

(b) Requires a physician employed by the district under this section to practice with a nonprofit health organization certified by the Texas Medical Board (TMB) and created by the district.

(c) Prohibits the term of an employment contract entered into under this section from exceeding four years.

(d) Prohibits this section from being construed as authorizing the board to supervise or control the practice of medicine, as prohibited by Subtitle B (Physicians), Title 3 (Health Professions), Occupations Code.

SECTION 2. Effective date: upon passage or September 1, 2011.