

BILL ANALYSIS

Senate Research Center

H.B. 1567
By: Van de Putte (Madla)
State Affairs
4-24-97
Engrossed

DIGEST

Currently, changes in the delivery of health care caused by the move to managed care has required hospital districts to adapt their approach to health services. Traditionally, hospital districts have employed a budgetary system in which over 50 percent of a hospital district's budget is supported by patient care revenue. There are concerns that loss of this source of support will adversely affect the ability of hospital districts and the graduate medical training programs affiliated with these hospital districts to survive. This bill authorizes hospital districts to establish charitable organizations to carry out hospital district purposes in a consistent manner with current hospital district methods, rules, and immunities.

PURPOSE

As proposed, H.B. 1567 establishes provisions for charitable organizations created by certain hospital districts.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 281C, Health and Safety Code, by adding Section 281.0565, as follows:

Sec. 281.0565. CHARITABLE ORGANIZATIONS. Defines "charitable organization." Authorizes a hospital district to create a charitable organization to facilitate the management of a district health care program by providing or arranging certain services. Provides that a charitable organization is a unit of local government for purposes of Chapter 101, Civil Practice and Remedies Code.

SECTION 2. Effective date: September 1, 1997.
Makes application of this Act retrospective.

SECTION 3. Emergency clause.