# **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 2171
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Health Services
5/12/1999
Committee Report (Substituted)

#### **DIGEST**

Currently, the law authorizes certain health care entities to form a medical peer review committee or a medical committee to evaluate the medical or health-care services provided by each respective entity. However, the law does not grant the same authority to a hospital district that has contracted out its medical or health care services. In 1996, the Nueces County Hospital District leased its hospital and three clinics to Spohn Health System, a local Catholic healthcare system. The hospital district separately contracted with the Spohn System to furnish medical aid and hospital care to indigent and needy persons within the hospital district's boundaries. As a result of the hospital district leasing its hospital, the law no longer authorizes it to evaluate medical and health-care services through a medical peer review committee or a medical committee. C.S.H.B. 2171 would set forth provisions for the establishment and operation of a medical committee or medical peer review committee by certain public and private entities.

### **PURPOSE**

As proposed, C.S.H.B. 2171 sets forth provisions for the establishment and operation of a medical committee or medical peer review committee by certain public and private entities.

### **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 Section 1.03(a) (5), Article 4495b, V.T.C.S. (Medical Practice Act), to redefine "health-care entity."

SECTION 2. Amends Section 5.06, Article 4495b, V.T.C.S., by adding Subsection (v), to provide that this section does not impose liability or waive immunity for a hospital district or hospital authority that has common-law, statutory, or other immunity.

SECTION 3. Amends Section 161.031(a), Health and Safety Code, to redefine "medical committee."

SECTION 4. Amends Sections 161.032(a) and (c), Health and Safety Code, to provide that a proceeding of a medical peer review committee, as defined by Section 1.03, Article 4495b, V.T.C.S., or medical committee or a meeting of the governing body of a public hospital, hospital district, or hospital authority at which the governing body receives records, information, or reports provided by a medical committee or medical peer review committee is not subject to Chapter 551, Government Code. Provides that records, information, or reports of a medical committee or medical peer review committee and records, information, or reports provided by a medical committee or medical peer review committee to the governing body of a public hospital, hospital district, or hospital authority are not subject to disclosure under Chapter 552, Government Code. Provides that this section and Section 5.06, Article 4495b, V.T.C.S., do not apply to records made or maintained in the regular course of business by a hospital, health maintenance organization, medical organization, university medical center or health sciences center, hospital district, hospital authority, or extended care facility.

SECTION 5. Amends the subchapter heading of Chapter 161D, Health and Safety Code, as follows:

SUBCHAPTER D. New heading: MEDICAL COMMITTEES AND MEDICAL PEERREVIEW COMMITTEES

SECTION 6. Amends Chapter 161D, Health and Safety Code, by adding Section 161.0315, as follows:

Sec. 161.0315. AUTHORITY OF GOVERNING BODY TO FORM COMMITTEE TO EVALUATE MEDICAL AND HEALTH-CARE SERVICES. (a) Authorizes a governing body of a hospital, medical organization, university medical school or health science center, health maintenance organization, extended care facility, hospital district, or hospital authority to form a medical peer review committee, as defined by Section 1.03, Article 4495b, V.T.C.S., or a medical committee, as defined by Section 161.031, to evaluate medical and health-care services, except as provided by this section.

- (b) Prohibits a medical peer review committee or medical committee formed by the governing body of a hospital district from evaluating medical and health care services provided by a health care facility that contracts with the district to provide those services, and has formed a medical peer review committee or medical committee to evaluate the services provided by the facility, except as provided by Subsection (d).
- (c) Authorizes a hospital district to require in a contract with a health care facility described by Subsection (b), a provision that allows the governing body of the hospital district to appoint a specified number of members to the facility's medical peer review committee or medical committee to evaluate medical and health care services for which the district contracts with the facility to provide. Authorizes the governing body of a hospital district to receive a report from the facility's medical peer review committee or medical committee under this section in a closed meeting. Provides that a report, information, or a record that the district receives from the facility related to a review action conducted is subject to certain terms.
- (d) Sets forth the rights of the hospital district, if a hospital and health care facility do not agree.
- (e) Authorizes the governing body of a hospital district to receive a report under Subsection (d)(3) in a closed meeting. Provides that a report, information, or a record that the hospital district receives is subject to certain terms.

SECTION 7. Emergency clause.

Effective date: upon passage.