Sec. 312.001. FINDING; PURPOSE. (a) The legislature finds that the clinical education of medical and dental students, interns, residents, and fellows attending a medical and dental unit or a supported medical or dental school and the provision of patient care to public hospitals can be more effectively and economically undertaken if those institutions and hospitals coordinate and cooperate, rather than compete, in their common endeavors.

(b) The purpose of this chapter is to authorize coordination and cooperation between medical and dental units, supported medical or dental schools, and public hospitals and to remove impediments to that coordination and cooperation in order to:

(1) enhance the education of students, interns, residents, and fellows attending a medical and dental unit or a supported medical or dental school;

(2) enhance patient care; and

(3) avoid any waste of public money.


Sec. 312.002. DEFINITIONS. In this chapter:

(1) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1, Sec. 3.1639(70), eff. April 2, 2015.

(2) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1, Sec. 3.1639(70), eff. April 2, 2015.

(3) "Coordinating entity" means a nonprofit corporation under the Texas Nonprofit Corporation Law as described by Section 1.008(d), Business Organizations Code, that is a health organization approved and certified by the Texas Medical Board under Chapter 162, Occupations Code.

(3-a) "Department" means the Department of State Health Services.

(4) "Medical and dental unit" has the meaning assigned
by Section 61.003, Education Code.

(5) "Public hospital" means a hospital, clinic, or other facility for the provision of health care or dental care that is owned or operated by the federal government, the state, or a political subdivision or municipal corporation of the state, including a hospital district or authority.

(6) "Supported medical or dental school" means a medical school or dental school organized as a nonprofit corporation that is under contract with the Texas Higher Education Coordinating Board to provide educational services under Subchapter D, Chapter 61, Education Code.


Acts 2015, 84th Leg., R.S., Ch. 1 (S.B. 219), Sec. 3.0849, eff. April 2, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1 (S.B. 219), Sec. 3.1639(70), eff. April 2, 2015.

Sec. 312.003. AGREEMENT REQUIRED. This chapter applies only if the medical and dental unit or supported medical or dental school agrees, either directly or through a coordinating entity, to provide or cause to be provided medical, dental, or other patient care or services or to perform or cause to be performed medical, dental, or clinical education, training, or research activities in a coordinated or cooperative manner in a public or nonprofit hospital.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989. Amended by:

Acts 2017, 85th Leg., R.S., Ch. 726 (S.B. 1066), Sec. 2, eff. June 12, 2017.

Sec. 312.004. CONTRACTS FOR COORDINATION OR COOPERATION. (a) Medical and dental units, supported medical or dental schools, coordinating entities, and public hospitals may make and perform contracts among each other for the coordinated or cooperative clinical education of the students, interns, residents, and fellows
enrolled at the units or schools.

(b) Medical and dental units and supported medical or dental schools may undertake coordination or cooperation of clinical education directly or through a coordinating entity.

(c) A medical and dental unit, a supported medical or dental school, and a coordinating entity may contract with the owner or operator of a public hospital for the clinical education of students, interns, residents, and fellows enrolled at the unit or school.

(d) The contracting parties may determine the terms of and the consideration for a contract authorized under this section.

(e) The contract may provide for the coordinated, cooperative, or exclusive assignment of the interns, residents, fellows, faculty, and associated health care professionals of the participating medical and dental units and supported medical or dental schools to provide or perform health or dental services or research at a public hospital.

(f) Coordinated or cooperative activities authorized under this section may be performed by or on behalf of one or more of the units, schools, or entities involved.


Sec. 312.005. APPROVAL OF CONTRACTS. (a) To be effective, a contract under Section 312.004 must be submitted to the department.

(b) The department shall approve the contract if the contract furthers the purposes of this chapter.

(c) The department may disapprove a contract only after notice to all parties and a hearing.

(d) The department may not modify a contract.

(e) The contract takes effect:

(1) when it is approved by the department; or

(2) on the 31st day after the date on which the contract is filed with the department by a medical and dental unit, supported medical or dental school, or coordinating entity that is a party to the contract, if the department does not approve or disapprove the contract within 30 days after the date on which the
Sec. 312.006. LIMITATION ON LIABILITY. (a) A medical and dental unit, supported medical or dental school, or coordinating entity engaged in coordinated or cooperative medical or dental clinical education under Section 312.004, including patient care and the provision or performance of health or dental services or research at a public hospital, is not liable for its acts and omissions in connection with those activities except to the extent and up to the maximum amount of liability of state government under Section 101.023(a), Civil Practice and Remedies Code, for the acts and omissions of a governmental unit of state government under Chapter 101, Civil Practice and Remedies Code.

(b) The limitation on liability provided by this section applies regardless of whether the medical and dental unit, supported medical or dental school, or coordinating entity is a "governmental unit" as defined by Section 101.001, Civil Practice and Remedies Code.


Sec. 312.007. INDIVIDUAL LIABILITY. (a) A medical and dental unit, supported medical or dental school, or coordinating entity is a state agency, and a director, trustee, officer, intern, resident, fellow, faculty member, or other associated health care professional or employee of a medical and dental unit, supported medical or dental school, or coordinating entity is an employee of a state agency for purposes of Chapter 104, Civil Practice and Remedies Code, and for purposes of determining the liability, if any, of the person for the person's acts or omissions while engaged in the coordinated or cooperative activities of the unit, school, or entity.

(b) A judgment in an action or settlement of a claim against a medical and dental unit, supported medical or dental school, or
coordinating entity under Chapter 101, Civil Practice and Remedies Code, bars any action involving the same subject matter by the claimant against a director, trustee, officer, intern, resident, fellow, faculty member, or other associated health care professional or employee of the unit, school, or entity whose act or omission gave rise to the claim as if the person were an employee of a governmental unit against which the claim was asserted as provided under Section 101.106, Civil Practice and Remedies Code.

(c) A resident engaged in graduate medical education in a public or nonprofit hospital in association with a medical and dental unit is an employee of a state agency regardless of whether the resident receives a stipend or other payment from the medical and dental unit for services performed as a resident.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 726 (S.B. 1066), Sec. 3, eff. June 12, 2017.