

SENATE BILL 1298

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 6; Title 7; Title 10; Title 56 and Title 68, relative to private act hospital authorities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-57-301(16), is amended by adding the following language to the end of the subdivision “provided, however, the authority shall comply with § 7-57-311;”.

SECTION 2. Tennessee Code Annotated, Title 7, Chapter 57, Part 5, is amended by adding the following new section thereto:

7-57-311.

(a) Notwithstanding any other law to the contrary, no private act hospital shall by contract, policy or otherwise, condition receipt of medical staff privileges at such hospital or an affiliate of such hospital on any economic criteria unrelated to quality of care or professional competence.

(b) For purposes of this section, “affiliate” means an entity that is directly or indirectly controlled by, or is under common control with, a private act hospital.

SECTION 3. This act shall be applicable only in counties in which a private act hospital has fifty-five percent (55%) or more of the total hospital discharges within the county during any one (1) calendar year, and shall not apply in counties in which a private act hospital is the only hospital provider.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to contracts entered into on or after the effective date of this act.