

BILL ANALYSIS

C.S.H.B. 1163
By: Thompson
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Current state law prohibits discrimination between payment provisions of a health benefit plan offered to a podiatrist and the provisions offered to any other practitioner of the healing arts. However, newly licensed practitioners who join the professional practice of a preferred provider or contracting physician are at times denied participating status by insurers or health maintenance organizations. C.S.H.B. 1163 prohibits health benefit plans from withholding preferred provider designations or from denying contracts to podiatrists who join the practice of preferred providers or contracting physicians or providers.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1163 amends the Insurance Code to prohibit an insurer from withholding a designation of preferred provider from a licensed podiatrist who joins the professional practice of a contracted preferred provider and complies with the terms and conditions of eligibility. The bill provides that a podiatrist designated as a preferred provider must comply with the terms of a preferred provider contract. The bill prohibits a health maintenance organization from denying a contract to a licensed podiatrist who joins the professional practice of a contracting physician or provider and meets certain eligibility requirements.

EFFECTIVE DATE

September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 1163 modifies the original by removing the requirement that an insurer or health maintenance organization pay a licensed podiatrist for a covered service the same amount and in the same manner as a physician who renders the same covered service. The substitute specifies that an insurer is prohibited from withholding a designation of preferred provider from certain licensed podiatrists, instead of practitioners. The substitute specifies that a health maintenance organization is prohibited from denying a contract to certain licensed podiatrists, instead of physicians or providers, who meet credentialing requirements. The substitute adds that a designated podiatrist must comply with the terms of a preferred provider contract.