

BILL ANALYSIS

Senate Research Center

H.B. 1163
By: Thompson (Harris)
State Affairs
5/23/2003
Committee Report (Amended)

DIGEST 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. 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

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3(b), Article 3.70-3C, Insurance Code, as added by Chapter 1024, Acts of the 75th Legislature, Regular Session, 1997, by adding Subdivision (5), to prohibit an insurer from withholding a designation to a podiatrist described by Subsection (p) of this section.

SECTION 2. Section 3, Article 3.70-3C, Insurance Code, as added by Chapter 1024, Acts of the 75th Legislature, Regular Session, 1997, is amended by adding Subsection (p), as follows:

(p) Prohibits an insurer from withholding the designation of preferred provider to a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners who joins the professional practice of a contracted preferred provider, applies to the insurer for designation as a preferred provider, and complies with the terms and conditions of eligibility to be a preferred provider. Requires a podiatrist designated as a preferred provider under this subsection to comply with the terms of the preferred provider contract used by the insurer or the insurer's network provider.

SECTION 3. Amends Section 843.303, Insurance Code, as effective June 1, 2003, by adding Subsection (c), to prohibit a health maintenance organization from denying a contract to a podiatrist described by Section 843.319.

SECTION 4. Amends Subchapter I, Chapter 843, Insurance Code, as effective June 1, 2003, by adding Section 843.319, as follows:

Sec. 843.319. CERTAIN REQUIRED CONTRACTS. Prohibits a health maintenance organization from denying a contract to a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners who joins the professional practice of a contracting physician or provider, satisfies the application procedures of the health maintenance organization, and meets the qualification and credentialing requirements for contracting with the health maintenance organization.

SECTION 5. Makes application of Section 3(p), Article 3.70-3C, and Section 843.319, Insurance Code, as added by this Act, prospective.

SECTION 6. Effective date: September 1, 2003.

LIST OF COMMITTEE AMENDMENTS

Committee Amendment No. 1:

Strike proposed SECTION 6 and add new sections as follows:

SECTION 6. Subsection (B), Section 2, Chapter 397, Acts of the 54th Legislature, Regular Session, 1955 (Article 3.70-2, Vernon's Texas Insurance Code, is amended as follows:

(B) Adds "Licensed Athletic Trainer" in the list of terms an insurer is required to use in designating the practitioners who will and will not be recognized and adds "Licensed Athletic Trainer: One licensed by the Advisory Board of Athletic Trainers" in the list of definitions.

SECTION 7. Section 1, Article 21.52, Insurance Code, as amended by Chapters 812 and 1014, Acts of the 77th Legislature, Regular Session, 2001, is amended as follows:

Sec. 1. DEFINITIONS. Adds "(w) 'licensed athletic trainer' means a person licensed by the Advisory Board of Athletic Trainers." Redesignates the second Subsection (u) as Subsection (v).

SECTION 8. Subsection (a), Section 3, Article 21.52, Insurance Code, as amended by Chapters 812 and 1014, Acts of the 77th Legislature, Regular Session, 2001, is amended as follows:

(a) Any person who is issued, who is a party to, or who is a beneficiary under any health insurance policy delivered, renewed, or issued for delivery in this state by any insurance company, association, or organization to which this article applies may select: "(20) a licensed athletic trainer to provide the services that fall within the scope of the license of that professional if those services are scheduled in the policy." Re-designates the second Subdivision (17) as Subdivision (18) and former Subdivision (18) as Subdivision (19).

SECTION 9. Subsection (c), Section 3, Article 21.52, Insurance Code, is amended as follows:

(c) The payment or reimbursement by the insurance company, association, or organization for services or procedures in accordance with the payment schedule or the payment provisions in the policy shall not be denied because the same were performed by "a licensed athletic trainer".

SECTION 10. Subsection (d), Section 3, Article 21.52, Insurance Code, as amended by Chapters 812 and 1014, Acts of the 77th Legislature, Regular Session, 2001, is amended as follows:

(d) There shall not be any classification, differentiation, or other discrimination in the payment schedule or the payment provisions in a health insurance policy, nor in the amount or manner of payment or reimbursement thereunder, between scheduled services or procedures when performed by "a licensed athletic trainer" which fall within the scope of that practitioner's license or certification and the same services or procedures when performed by any other practitioner of the healing arts whose services or procedures are covered by the policy.

SECTION 11. This takes effect September 1, 2003, and applies only to a health insurance policy or contract or an evidence of coverage that is delivered, issued for delivery, or renewed on or after January 1, 2004. A health insurance policy or contract or an evidence of coverage that is delivered, issued for delivery, or renewed before January 1, 2009, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.