

BILL ANALYSIS

H.B. 3168
By: Giddings
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

HB 2600, passed by the 77th Legislature, created a Medical Dispute Resolution (MDR) process. The Research and Oversight Council on Workers' Compensation (ROC), in their biennial report, recommended an alternative model for low-cost services in dispute. Some health care providers have contended that the cost of Independent Review Organization review process (either \$650 or \$460, depending on the speciality of the reviewer) makes it unfeasible to dispute health care services that cost less, in some cases much less, than the cost of the review. The ROC staff recommended that Section 413.031 of the Labor Code be modified to provide the Texas Workers' Compensation Commission the authority to designate a lower cost medical dispute process.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Worker's Compensation Commission in Section 1 [Sec. 413.031, Subsection (g), Labor Code] of this bill.

ANALYSIS

Section 1. Amends Sec. 413.031, Subsections (e) - (g) of the Labor Code, providing that the Commission by rule may specify an alternate dispute resolution process for medical services costing less than the review of medical necessity by an independent review organization. Provides that nonprevailing party will pay for review. Renumbers subsequent subsections.

Section 2. Immediate effect with two-thirds vote, or Sept. 1, 2003.

Section 3. Applies to requests filed with the commission on or after the effective date of this Act.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect Sept. 1, 2003.