

## **BILL ANALYSIS**

C.S.H.B. 3285  
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Business & Industry  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The Texas Workers' Compensation Commission (the commission) is mandated to update the medical fee guidelines every two years; however, it has only updated it twice in the last 12 years. The commission has never established a set formula as to how it will determine the medical fee guidelines, and therefore, has done it a different way every time. Because of a lack of a consistent rational that a formula would provide, when the commission has updated the medical fee guidelines, it has been a very confrontational, disruptive process that leads to allegations of bias and arbitrary actions.

As the commission goes into the Sunset process during the 79<sup>th</sup> Session of the Texas Legislature, a medical access and overutilization crisis is possible due to the commission's recent deep cuts to the medical fee guidelines which were made absent any established formula. C.S.H.B. 3285 would set in aggregate the current fee schedule into law to give stakeholders, TWCC, and ROC time to study and recommend medical fee guideline formulas that could be acted upon by the legislature or adopted by the commission.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Workers' Compensation Commission in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 3285 allows the commission to determine and adopt separate conversion factors for Surgery; Radiology; Pathology; Anesthesia; General Medicine; Physical Medicine; and Evaluation and Management in establishing medical fee guidelines.

### **EFFECTIVE DATE**

September 1, 2003

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 3285 differs from the original by not mandating a set formula but instead inserts multiple conversion factors which are used to determine the medical fee guidelines. These conversion factors are in aggregate budget neutral as compared to the 1996 medical fee guideline.