

By: Giddings

H.B. No. 3168

A BILL TO BE ENTITLED

1 AN ACT

2 relating to an alternative medical dispute resolution process for
3 low-cost medical services in the Texas workers' compensation
4 system.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 413.031, Labor Code, is amended by
7 amending Subsections (e)-(g) as follows, and the subsequent
8 subsections are re-lettered accordingly:

9 Sec. 413.031. MEDICAL DISPUTE RESOLUTION. (e) Except as
10 provided by Subsection (d), (f) or (g), a review of the medical
11 necessity of a health care service provided under this chapter or
12 Chapter 408 shall be conducted by an independent review
13 organization under Article 21.58C, Insurance Code, in the same
14 manner as reviews of utilization review decisions by health
15 maintenance organizations. It is a defense for the insurance
16 carrier if the carrier timely complies with the decision of the
17 independent review organization.

18 (f) The commission by rule shall specify the appropriate
19 dispute resolution process for disputes in which a claimant has
20 paid for medical services and seeks reimbursement.

21 (g) The commission by rule may specify an alternate dispute
22 resolution process for medical services costing less than the cost
23 of a review of medical necessity by an independent review
24 organization. The cost of a review under this process shall be paid

1 by the nonprevailing party.

2 (h) In performing a review of medical necessity under
3 Subsection (d) or (e), an independent review organization may
4 request that the commission order an examination by a designated
5 doctor under Chapter 408.

6 (i) [~~(h)~~] The insurance carrier shall pay the cost of the
7 review if the dispute arises in connection with a request for health
8 care services that require preauthorization under Section 413.014
9 or commission rules under that section.

10 (j) [~~(i)~~] Except as provided by Subsection (i) [~~(h)~~], the
11 cost of the review shall be paid by the nonprevailing party.

12 (k) [~~(j)~~] Notwithstanding Subsections [~~(h)~~ and] (i) and
13 (j), an employee may not be required to pay any portion of the cost
14 of a review.

15 (l) [~~(k)~~] Except as provided by Subsection (m) [~~(l)~~], a
16 party to a medical dispute that remains unresolved after a review of
17 the medical service under this section is entitled to a hearing.
18 The hearing shall be conducted by the State Office of
19 Administrative Hearings within 90 days of receipt of a request for a
20 hearing in the manner provided for a contested case under Chapter
21 2001, Government Code (the administrative procedure law). A party
22 who has exhausted the party's administrative remedies under this
23 subtitle and who is aggrieved by a final decision of the State
24 Office of Administrative Hearings may seek judicial review of the
25 decision. Judicial review under this subsection shall be conducted
26 in the manner provided for judicial review of contested cases under
27 Subchapter G, Chapter 2001, Government Code.

1 (m) [~~(l)~~] A party to a medical dispute regarding spinal
2 surgery that remains unresolved after a review by an independent
3 review organization as provided by Subsections (d) and (e) is
4 entitled to dispute resolution as provided by Chapter 410.

5 SECTION 2. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2003.

10 SECTION 3. The change in law made by this Act applies to a
11 request for medical dispute resolution filed with the commission on
12 or after the effective date of this Act.