S.B. No. 1804 1-1 By: Harris 1-2 1-3 (In the Senate - Filed March 14, 2003; March 24, 2003, read first time and referred to Committee on State Affairs; April 30, 2003, reported adversely, with favorable Committee 1-4 1-5 Substitute by the following vote: Yeas 7, Nays 0; April 30, 2003, 1-6 sent to printer.) COMMITTEE SUBSTITUTE FOR S.B. No. 1804 1-7 By: Harris 1-8 A BILL TO BE ENTITLED 1-9 AN ACT 1-10 relating to the resolution of certain medical disputes and certain 1-11 connection with workers' compensation other procedures in 1-12 benefits. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 1-13 1**-**14 1**-**15 SECTION 1. Subsection (b), Section 408.143, Labor Code, is amended to read as follows: 1-16 (b) The statement required under this section must be filed 1-17 [quarterly] on a form and in the manner provided by the commission. 1-18 The commission may modify the filing period as appropriate to an 1-19 1-20 individual case. Unless modified by the commission, the statement shall be filed quarterly until the first anniversary of the date of 1-21 the commission's initial determination of supplemental benefits 1-22 and, after that date, the statement shall be filed every six months if supplemental benefits were provided continuously during that 1-23 1-24 first year. SECTION 2. Subsection (b), Section 408.151, Labor Code, is 1-25 amended to read as follows: 1-26 1-27 (b) If a dispute exists as to whether the employee's medical 1-28 condition has improved sufficiently to allow the employee to return 1-29 1-30 to work, the commission shall direct the employee to be examined by a designated doctor chosen by the commission. In addition to determining whether the employee's medical condition has improved, 1-31 the examination must include a determination of the type of employment the employee is physically or medically able to perform. The designated doctor shall report to the commission. The report of 1-32 1-33 1-34 the designated doctor has presumptive weight, and the commission shall base its determination of whether the employee's medical condition has <u>shown</u> improved <u>functional gain</u> [sufficiently] to allow the employee to return to work on that report unless the great 1-35 1-36 1-37 1-38 weight of the other medical evidence is to the contrary. 1-39 SECTION 3. Subchapter C, Chapter 413, Labor amended by adding Section 413.032 to read as follows: 1-40 Code, is 1-41 1-42 Sec. 413.032. ALTERNATIVE MEDICAL DISPUTE RESOLUTION PROCESS. (a) The commission shall evaluate the effectiveness and costs of the medical dispute resolution process under Section 413.031 and study proposals for the establishment of an alternative 1-43 1-44 1-45 1-46 process. In performing the study and proposing an alternative 1-47 medical dispute resolution process, the commission shall emphasize 1-48 the establishment of a process that is less expensive than the current system. 1-49 1-50 (b) In performing the commission's this duties under section, the commission shall solicit the participation of persons 1-51 1-52 who represent the interests of employees, employers, health care providers, insurance carriers, governmental agencies, and others who may be interested in the results of the study. (c) The commission shall report the results of the study 1-53 1-54 1-55 1-56 under this section, including the commission's proposal for an 1-57 alternative medical dispute resolution process, to the lieutenant governor and speaker of the house of representatives not later than 1-58 <u>December 1, 2004.</u> (d) This section expires January 1, 2006. 1-59 1-60 SECTION 4. Subsection (e), Section 413.014, Labor Code, is 1-61 1-62 amended to read as follows: 1-63 (e) The commission may not prohibit an insurance carrier and

C.S.S.B. No. 1804 a health care provider from voluntarily discussing health care treatment and treatment plans <u>and pharmaceutical services</u>, either 2-1 2-2 prospectively or concurrently, and may not prohibit an insurance 2-3 2-4 carrier from certifying or agreeing to pay for health care 2-5 consistent with those agreements. The insurance carrier is liable 2-6 for health care treatment and treatment plans and pharmaceutical 2-7 services that are voluntarily preauthorized and may not dispute the certified or agreed-on preauthorized health care treatment and treatment plans and pharmaceutical services at a later date. 2-8 2-9 2-10

SECTION 5. (a) This Act takes effect September 1, 2003. (b) The changes in law made by this Act by the amendment of

2-11 2-12 Sections 408.143, 408.151, and 413.014, Labor Code, apply only to a claim for workers' compensation benefits based on a compensable 2-13 injury that occurs on or after the effective date of this Act. A claim based on a compensable injury that occurs before the effective date of this Act is governed by the law in effect on the date the compensable injury occurred, and the former law is 2-14 2**-**15 2**-**16 2-17 continued in effect for that purpose. 2-18

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