

BILL ANALYSIS

C.S.H.B. 251
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Current law provides that a person who pays for medical care or services related to a workers= compensation claim is entitled to subclaimant status under the Texas Workers= Compensation Act and may seek reimbursement for those payments from the workers= compensation carrier and file a subclaim with the Texas Workers= Compensation Commission if the carrier refuses payment.

In 2001, the 77th Texas Legislature passed House Bill No. 1562 that enabled insurance carriers, that have anti-fraud plans, to request information from the Texas Workers= Compensation Commission (TWCC) in electronic form to identify subclaims that may exist. The legislation required TWCC to adopt rules to implement the Act, but TWCC has yet to adopt these rules.

House Bill No. 251 amends the Labor Code to require TWCC to release to an insurance carrier certain data that will allow the carrier to identify potential subclaims and pursue recovery that is already allowed under Section 409.009, Texas Labor Code.

RULEMAKING AUTHORITY

It is the opinion of the Committee on Business and Industry that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

SECTION-BY-SECTION ANALYSIS

SECTION 1. Amends Section 402.084, Labor Code, to allow insurance carriers to request information on workers= compensation claims that are maintained by the Texas Workers= Compensation Commission. Allows an insurance carrier to request claims information on a monthly basis in an electronic format from the agency. This section also enumerates the claims information that must be released and affirms that claims information obtained under this section may be used to file subclaims. This section also requires that claims information is subject to confidentiality requirements of this subtitle and prohibits the agency from redacting information from the claims data.

SECTION 2. Establishes that this act applies only to a claim for workers' compensation benefits based on a compensable injury that occurred on or after September 1, 2002.

SECTION 3. Effective date.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The committee substitute for House Bill No. 251 includes workers= compensation certified self-insureds and workers= compensation carriers in the definition of insurance carrier; clarifies that information requested from TWCC must be provided only if available; provides that a request must contain a list of the names of persons about whom claims information is requested, that the insurance carrier must certify that each person listed is, or has been, an insured under the carrier's insurance plan, and that the commission shall examine the commission's records to identify all claims related to the listed persons; provides that potential subclaims that are identified by an insurance carrier may form the basis for the identification and filing of a subclaim against an

insurance carrier; defines "full claims data" as an electronic download or tape in an electronic data format of information on all cases relating to the workers' compensation claimants listed as insureds of the requesting insurance carrier; provides that the commission may establish a reasonable fee not to exceed five cents for each claimant listed in an information request; directs the insurance carrier or the carrier's authorized representative to execute a written agreement with the commission before submitting the carrier's first request; and makes this Act effective for claims filed on or after September 1, 2002.