

A BILL TO BE ENTITLED

AN ACT

relating to facility based physicians or providers.

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

SECTION 1. Section 1204.051, Insurance Code, as effective April 1, 2005, is amended to read as follows:

Sec. 1204.051. DEFINITIONS. In this subchapter:

(1) "Covered person" means a person who is insured or covered by a health insurance policy or is a participant in an employee benefit plan. The term includes:

(A) a person covered by a health insurance policy because the person is an eligible dependent; and

(B) an eligible dependent of a participant in an employee benefit plan.

(2) "Employee benefit plan" or "plan" means a plan, fund, or program established or maintained by an employer, an employee organization, or both, to the extent that it provides, through the purchase of insurance or otherwise, health care services to employees, participants, or the dependents of employees or participants.

(3) "Health care provider" means a person who provides health care services under a license, certificate, registration, or other similar evidence of regulation issued by this or another state of the United States.

(4) "Health care service" means a service to diagnose,

1 prevent, alleviate, cure, or heal a human illness or injury that is
2 provided to a covered person by a physician or other health care
3 provider.

4 (5) "Health insurance policy" means an individual,
5 group, blanket, or franchise insurance policy, or an insurance
6 agreement, that provides reimbursement or indemnity for health care
7 expenses incurred as a result of an accident or sickness.

8 (6) "Insurer" means an insurance company,
9 association, or organization authorized to engage in business in
10 this state under Chapter 841, 861, 881, 882, 883, 884, 885, 886,
11 887, 888, 941, 942, or 982.

12 (7) "Person" means an individual, association,
13 partnership, corporation, or other legal entity.

14 (8) "Physician" means an individual licensed to
15 practice medicine in this or another state of the United States.

16 (9) "Facility" means a facility authorized to operate
17 in Texas as:

18 (a) an ambulatory surgical center licensed under
19 Chapter 243, Health and Safety Code, or

20 (b) a hospital as defined under section 241,
21 Health and Safety Code.

22 (10) "Facility based physician or provider" includes:

23 (i) Radiologists, anesthesiologists,
24 pathologists, neonatologists, hospitalists and emergency
25 department physicians or providers to whom the facility has granted
26 clinical privileges and pursuant to those clinical privileges
27 provides physician or provider services to the facility's patients;

1 (ii) A physician or provider who provides
2 physician or provider services to a facility's patients in a
3 clinical area and the facility grants clinical privileges on a
4 closed staff basis for the clinical area. For purposes of this
5 subsection (ii), a member of the facility's medical staff is not a
6 facility-based provider solely by being appointed to the facility's
7 medical staff and granted clinical privileges; or

8 (iii) A person or entity other than a facility,
9 physician or provider who or which provides health care services or
10 supplies directly to patients pursuant to an agreement with the
11 facility.

12 SECTION 2. Section 1204.052, Insurance Code, as effective
13 April 1, 2005, is amended to add a new paragraph (4) as follows:

14 (4) This subchapter is not applicable to a facility
15 based physician or provider as defined Section 1204.051.

16 SECTION 3. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2005.