

Amend HB 2636 as follows:

- (1) On page 33, line 13, strike "AND CONFORMING AMENDMENTS".
- (2) On page 33, strike lines 15 through 26.
- (3) Strike page 33, line 27, through page 34, line 2, and

substitute the following:

SECTION 1D.003. ADDITION. Chapter 542, Insurance Code, is amended by adding Subchapter C-1 to read as follows:

SUBCHAPTER C-1. REQUEST FOR CLAIMS INFORMATION BY CERTAIN
OFFICIALS

(4) On page 34, line 3, strike "Sec. 542.105" and substitute "Sec. 542.131".

(5) On page 119, strike line 1 and substitute the following:

(b) A person may not act as a responsible managing employee unless the person holds a license

(6) On page 172, strike lines 6-9 and substitute the following:

(3) Subchapter B, Chapter 1507; and

(4) Chapters 1271 and 1272 [~~Chapter 20A~~].

(7) On page 187, line 13, strike "841.705" and substitute "841.704-841.705".

(8) On page 202, line 22, strike "Subchapters A-E," and substitute "Subchapter B,".

(9) On page 203, line 1, strike "Subchapters A-E," and substitute "Subchapter B,".

(10) On page 203, strike lines 11 through 14 and substitute the following:

a license revoked under Chapter 4005 [~~Article 21.07 or 21.14, or~~

(11) On page 219, line 10, between "Subchapters A-E" and the comma, insert "and G".

(12) On page 225, line 6, strike "1305.004(11)," and substitute "1305.004(a)(11),".

(13) On page 354, between lines 19 and 20, insert the following appropriately numbered SECTION:

SECTION _____. Sections 1272.001(a)(1), (3), and (4), Insurance Code, are amended to conform more closely to the source law from which they were derived to read as follows:

(1) "Delegated entity" means an entity, other than a

health maintenance organization authorized to engage in business under Chapter 843, that by itself, or through subcontracts with one or more entities, undertakes to arrange for or provide medical care or health care to an enrollee in exchange for a predetermined payment on a prospective basis and that accepts responsibility for performing on behalf of the health maintenance organization a function regulated by this chapter, Chapter 222, 251, or 258, as applicable to a health maintenance organization, Chapter 843 or [7] 1271, Section 1367.053 [~~or 1367~~], Subchapter A, Chapter 1452, or Subchapter B, Chapter 1507. The term does not include:

(A) an individual physician; or

(B) a group of employed physicians, practicing medicine under one federal tax identification number, whose total claims paid to providers not employed by the group constitute less than 20 percent of the group's total collected revenue computed on a calendar year basis.

(3) "Delegated third party" means a third party other than a delegated entity that contracts with a delegated entity, either directly or through another third party, to:

(A) accept responsibility for performing a function regulated by this chapter, Chapter 222, 251, or 258, as applicable to a health maintenance organization, Chapter 843 or [7] 1271, Section 1367.053 [~~or 1367~~], Subchapter A, Chapter 1452, or Subchapter B, Chapter 1507; or

(B) receive, handle, or administer funds, if the receipt, handling, or administration is directly or indirectly related to a function regulated by this chapter, Chapter 222, 251, or 258, as applicable to a health maintenance organization, Chapter 843 or [7] 1271, Section 1367.053 [~~or 1367~~], Subchapter A, Chapter 1452, or Subchapter B, Chapter 1507.

(4) "Delegation agreement" means an agreement by which a health maintenance organization assigns the responsibility for a function regulated by this chapter, Chapter 222, 251, or 258, as applicable to a health maintenance organization, Chapter 843 or [7] 1271, Section 1367.053 [~~or 1367~~], Subchapter A, Chapter 1452, or Subchapter B, Chapter 1507.