

BILL ANALYSIS

Senate Research Center
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S.B. 543
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law prohibits the discriminatory payment or reimbursement of providers based solely on the type of health care practitioner selected by the insured with certain exceptions. However, several insurers in Texas have issued preferred provider contracts to participating podiatrists which provide a higher level of reimbursement if the covered service is provided by a physician. These lower reimbursements will eventually result in a decrease in the number of podiatrists who are available to provide health care services, compromising access to quality foot care.

As proposed, S.B. 543 prohibits the use of a payment or reimbursement schedule for services or procedures covered by an insurance policy that discriminates in the payment or reimbursement for the scheduled services or procedures based solely on whether the services are performed by a licensed podiatrist or a licensed physician.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1301.062, Insurance Code, as follows:

- (a) Defines "podiatrist."
- (b) Creates this subsection from existing text. Makes a conforming change.
- (c) Prohibits a preferred provider contract between an insurer and a podiatrist from using a payment or reimbursement schedule for services or procedures that discriminates based solely on whether the services are performed by a licensed podiatrist or a licensed physician. Requires the services or procedures performed to be within the scope of the license of the podiatrist or the physician.
- (d) Authorizes a preferred provider contract between an insurer and a podiatrist to provide for different amounts of payment or reimbursement for scheduled services and procedures based on certain factors, notwithstanding Subsection (c) or any other law.
- (e) Provides that this section applies to any person with whom an insurer contracts to obtain the services of podiatrists to provide health care services to insureds or to negotiate or provide access to discounted fee schedules for preferred providers.

SECTION 2. Makes application of this Act prospective to January 1, 2008.

SECTION 3. Effective date: September 1, 2007.