

By: Solomons

H.B. No. 724

A BILL TO BE ENTITLED

AN ACT

relating to resolution of certain disputes regarding workers' compensation claims for medical benefits.

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

SECTION 1. Section 413.031, Labor Code, is amended by amending Subsection (k) and adding Subsections (k-1) and (k-2) to read as follows:

(k) A [Except as provided by Subsection (l), a] party to a medical dispute, other than a medical dispute regarding spinal surgery subject to Subsection (l) and a dispute subject to Section 413.0311, that remains unresolved after a review of the medical service under this section is entitled to a hearing. A hearing under this subsection shall be conducted by the State Office of Administrative Hearings not later than the 60th day after the date on which the party notifies the division of the request for a hearing. The hearing shall be conducted in the manner provided for a contested case under Chapter 2001, Government Code.

(k-1) A party who has exhausted all administrative remedies under Subsection (k) and who is aggrieved by a final decision of the State Office of Administrative Hearings may seek judicial review of the decision. Judicial review under this subsection shall be conducted in the manner provided for judicial review of a contested case under Subchapter G, Chapter 2001, Government Code.

(k-2) The division and the department are not considered to

1 be parties to the medical dispute for purposes of Subsections (k)  
2 and (k-1) [~~this subsection. Judicial review under this subsection~~  
3 ~~shall be conducted in the manner provided for judicial review of~~  
4 ~~contested cases under Subchapter C, Chapter 2001, Government Code~~].

5 SECTION 2. Subchapter C, Chapter 413, Labor Code, is  
6 amended by adding Section 413.0311 to read as follows:

7 Sec. 413.0311. REVIEW OF CERTAIN MEDICAL DISPUTES;  
8 CONTESTED CASE HEARING. (a) This section applies only to the  
9 following medical disputes that remain unresolved after any  
10 applicable review under Sections 413.031(b) through (i):

11 (1) a medical fee dispute in which the amount of  
12 reimbursement sought by the requestor in its request for medical  
13 dispute resolution does not exceed \$2,000;

14 (2) an appeal of an independent review organization  
15 decision regarding determination of the retrospective medical  
16 necessity for a health care service for which the amount billed does  
17 not exceed \$3,000; and

18 (3) an appeal of an independent review organization  
19 decision regarding determination of the concurrent or prospective  
20 medical necessity for a health care service.

21 (b) A party to a medical dispute described by Subsection (a)  
22 is entitled to a contested case hearing. A contested case hearing  
23 under this section shall be conducted by a hearings officer in the  
24 manner provided for contested case hearings under Subchapter D,  
25 Chapter 410. Notwithstanding Section 410.024, a benefit review  
26 conference is not a prerequisite to a contested case hearing under  
27 this section.

1       (c) The decision of a hearings officer under this section is  
2 final in the absence of a timely appeal by a party for judicial  
3 review under Subsection (d).

4       (d) A party who has exhausted all administrative remedies  
5 under Section 413.031 and this section and who is aggrieved by a  
6 final decision of the hearings officer under Subsection (c) may  
7 seek judicial review of the decision. Judicial review under this  
8 subsection shall be conducted in the manner provided for judicial  
9 review of a contested case under Subchapter G, Chapter 2001,  
10 Government Code.

11       (e) The division and the department are not considered to be  
12 parties to the medical dispute for purposes of this section.

13       SECTION 3. Section 402.073(b), Labor Code, is amended to  
14 read as follows:

15       (b) In a case in which a hearing is conducted by the State  
16 Office of Administrative Hearings under Section 413.031, 413.055,  
17 or 415.034, the administrative law judge who conducts the hearing  
18 for the State Office of Administrative Hearings shall enter the  
19 final decision in the case after completion of the hearing.

20       SECTION 4. The change in law made by this Act applies to  
21 workers' compensation medical disputes described by Section  
22 413.031, Labor Code, as amended by this Act and Section 413.0311,  
23 Labor Code, as added by this Act:

24           (1) that are pending for adjudication by the division  
25 of workers' compensation of the Texas Department of Insurance on or  
26 after the effective date of this Act;

27           (2) that may be remanded to the division of workers'

1 compensation of the Texas Department of Insurance on or after the  
2 effective date of this Act; or

3 (3) that may arise on or after the effective date of  
4 this Act.

5 SECTION 5. This Act takes effect September 1, 2007.