By: Giddings

H.B. No. 1003

A BILL TO BE ENTITLED 1 AN ACT 2 relating to professional licensing requirements for independent 3 review of certain medical decisions regarding workers' compensation claims. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 6 SECTION 1. Section 401.011, Labor Code, is amended by adding Subdivision (25-a) to read as follows: 7 8 (25-a) "Independent review organization" has the same meaning as in Section 1305.004(a)(11), Insurance Code. 9 SECTION 2. Section 413.031, Labor Code, is amended by 10 amending Subsections (d) and (e) and adding Subsection (e-2) to 11 12 read as follows: (d) A review of the medical necessity of a health care 13 14 service requiring preauthorization under Section 413.014 or commissioner rules under that section or Section 413.011(g) shall 15 be conducted by an independent review organization under Chapter 16 4202 [Article 21.58C], Insurance Code, in the same manner as 17 18 reviews of utilization review decisions by health maintenance organizations. It is a defense for the insurance carrier if the 19 carrier timely complies with the decision of the independent review 20 21 organization.

(e) Except as provided by Subsections (d), (f), and (m), a
review of the medical necessity of a health care service provided
under this chapter or Chapter 408 shall be conducted by an

1

1 independent review organization under <u>Chapter 4202</u> [Article 2 21.58C], Insurance Code, in the same manner as reviews of 3 utilization review decisions by health maintenance organizations. 4 It is a defense for the insurance carrier if the carrier timely 5 complies with the decision of the independent review organization.

H.B. No. 1003

6 <u>(e-2) Notwithstanding Section 4202.002, Insurance Code, an</u> 7 <u>independent review organization that uses doctors to perform</u> 8 <u>reviews of health care services provided under this title may only</u> 9 <u>use doctors licensed to practice in this state.</u>

SECTION 3. Sections 1305.355(a) and (d), Insurance Code, are amended to read as follows:

12

(a) The utilization review agent shall:

(1) permit the employee or person acting on behalf of 13 14 employee and the employee's requesting provider whose the 15 reconsideration of an adverse determination is denied to seek review of that determination within the period prescribed by 16 17 Subsection (b) by an independent review organization assigned in accordance with Chapter 4202 [Article 21.58C] and commissioner 18 rules; and 19

20 (2) provide to the appropriate independent review 21 organization, not later than the third business day after the date 22 the utilization review agent receives notification of the 23 assignment of the request to an independent review organization:

24 (A) any medical records of the employee that are25 relevant to the review;

(B) any documents used by the utilization reviewagent in making the determination;

2

H.B. No. 1003 1 (C) the response letter described by Section 2 1305.354(a)(4);

3 (D) any documentation and written information
4 submitted in support of the request for reconsideration; and

5 (E) a list of the providers who provided care to 6 the employee and who may have medical records relevant to the 7 review.

8 (d) The department shall assign the review request to an 9 independent review organization. <u>Notwithstanding Section</u> 10 <u>4202.002, an independent review organization that uses doctors to</u> 11 <u>perform reviews of health care services under this chapter may only</u> 12 use doctors licensed to practice in this state.

13 SECTION 4. The change in law made by this Act applies only 14 to a review of a health care service provided under a claim for 15 workers' compensation benefits that is conducted on or after the 16 effective date of this Act. A review that is conducted before that 17 date is governed by the law in effect on the date that the review was 18 conducted, and the former law is continued in effect for that 19 purpose.

20

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

3