

By: Smithee

H.B. No. 2706

A BILL TO BE ENTITLED

AN ACT

relating to participation of hospitals in certain health care delivery networks.

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

SECTION 1. Section 843.303, Insurance Code, is amended by adding Subsection (d) to read as follows:

(d) A health maintenance organization may not deny participation in the health maintenance organization's delivery network to a hospital provider, based solely on the ownership of the hospital provider, if the hospital provider is licensed under Chapter 241, Health and Safety Code.

SECTION 2. Section 1301.051, Insurance Code, is amended by adding Subsection (f) to read as follows:

(f) An insurer offering a preferred provider benefit plan may not deny participation as a preferred provider to a hospital based solely on the ownership of the hospital.

SECTION 3. Chapter 1451, Insurance Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. ACCESS TO CERTAIN HOSPITALS

Sec. 1451.451. (a) In this section, "hospital" means a hospital licensed under Chapter 241, Health and Safety Code.

(b) An insurer that contracts with hospitals to provide services under a managed care plan offered by the insurer in this state may not deny participation in the managed care plan's

1 delivery network to a hospital based solely on the ownership of the  
2 hospital.

3 SECTION 4. This Act takes effect September 1, 2007.