

By: Davis of Harris

H.B. No. 1888

A BILL TO BE ENTITLED

AN ACT

relating to standards required for certain rankings of physicians
by health benefit plans.

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

SECTION 1. Subtitle F, Title 8, Insurance Code, is amended
by adding Chapter 1460 to read as follows:

CHAPTER 1460. STANDARDS REQUIRED REGARDING CERTAIN PHYSICIAN
RANKINGS BY HEALTH BENEFIT PLANS

Sec. 1460.001. DEFINITIONS. In this chapter:

(1) "Health benefit plan issuer" means an entity
authorized under this code or another insurance law of this state
that provides health insurance or health benefits in this state,
including:

(A) an insurance company;

(B) a group hospital service corporation
operating under Chapter 842;

(C) a health maintenance organization operating
under Chapter 843; and

(D) a stipulated premium company operating under
Chapter 884.

(2) "Physician" means an individual licensed to
practice medicine in this state or another state of the United
States.

Sec. 1460.002. PHYSICIAN RANKING REQUIREMENTS. (a) A

1 health benefit plan issuer may not rank physicians, classify
2 physicians into tiers based on performance, or publish
3 physician-specific information that includes rankings, tiers,
4 ratings, or other comparisons of a physician's performance against
5 standards, measures, or other physicians, unless:

6 (1) the standards used by the health benefit plan
7 issuer conform to nationally recognized standards as prescribed by
8 the commissioner under Section 1460.003;

9 (2) the standards and measurements to be used by the
10 health benefit plan issuer are disclosed to each affected physician
11 before any evaluation period used by the health benefit plan
12 issuer; and

13 (3) each affected physician is afforded an opportunity
14 to dispute the ranking through a process that includes due process
15 protections that conform to protections described by 42 U.S.C.
16 Section 11112.

17 (b) This section does not apply to the publication of a list
18 of network physicians and providers if ratings or comparisons are
19 not made.

20 Sec. 1460.003. RULES; STANDARDS. (a) The commissioner
21 shall adopt rules in the manner prescribed by Subchapter A, Chapter
22 36, as necessary to implement this chapter.

23 (b) The commissioner by rule shall prescribe the standards
24 to be used by a health benefit plan issuer that uses a physician
25 ranking system. In adopting standards under this subsection, the
26 commissioner shall consider the standards prescribed by nationally
27 recognized health care organizations that establish or promote

1 guidelines and performance measures emphasizing quality of health
2 care, such as the National Quality Forum or the AQA Alliance, or
3 other similar national organizations recognized by the
4 commissioner.

5 Sec. 1460.004. SANCTIONS. A health benefit plan issuer
6 that violates this chapter or a rule adopted under this chapter is
7 subject to sanctions under Chapter 82.

8 SECTION 2. (a) A health benefit plan issuer shall comply
9 with Chapter 1460, Insurance Code, as added by this Act, not later
10 than December 31, 2009.

11 (b) A health benefit plan issuer is not subject to sanctions
12 under Section 1460.004, Insurance Code, as added by this Act,
13 before January 1, 2010.

14 SECTION 3. This Act takes effect September 1, 2009.