

AN ACT

relating to standards for independent review organizations.

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

SECTION 1. Section 4202.002, Insurance Code, is amended by adding Subsection (c) to read as follows:

(c) In addition to the standards described by Subsection (b), the commissioner shall adopt standards and rules that:

(1) prohibit:

(A) more than one independent review organization from operating out of the same office or other facility;

(B) an individual or entity from owning more than one independent review organization;

(C) an individual from owning stock in or serving on the board of more than one independent review organization;

(D) an individual who has served on the board of an independent review organization whose certification was revoked for cause from serving on the board of another independent review organization before the fifth anniversary of the date on which the revocation occurred;

(E) an attorney who is, or has in the past served as, the registered agent for an independent review organization from representing the independent review organization in legal proceedings; and

1 (F) an independent review organization from
2 disclosing confidential patient information, except to a provider
3 who is under contract to perform the review; and

4 (2) require:

5 (A) an independent review organization to be
6 based and certified in this state and to locate the organization's
7 primary offices in this state;

8 (B) an independent review organization to
9 voluntarily surrender the organization's certification while the
10 organization is under investigation or as part of an agreed order;
11 and

12 (C) an independent review organization to apply
13 for and receive a new certification after the organization is sold
14 to a new owner.

15 SECTION 2. This Act takes effect September 1, 2009.

President of the Senate

Speaker of the House

I certify that H.B. No. 4519 was passed by the House on May 15, 2009, by the following vote: Yeas 144, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 4519 was passed by the Senate on May 27, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor