

A BILL TO BE ENTITLED

AN ACT

relating to ranking 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. PHYSICIAN RANKING 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 health benefit plan issuer is subject to the requirements of this chapter if the health benefit plan issuer establishes ranking

1 programs for use in the provision of medical services by the health
2 benefit plan under which certain physicians are presented as
3 superior in:

- 4 (1) the quality of medical care provided; or
- 5 (2) efficiency in the provision of medical services.

6 (b) A health benefit plan issuer that establishes ranking
7 programs must:

- 8 (1) provide affected physicians with a complete
9 description of the ranking program and the factors used to
10 determine rankings; and
- 11 (2) provide a reasonable mechanism for reviewing a
12 physician's dispute regarding the physician's ranking by the health
13 benefit plan issuer in accordance with Subsection (c).

14 (c) A health benefit plan issuer must:

- 15 (1) provide for an opportunity for review by an
16 advisory review panel composed of at least three physicians that
17 participate in the health benefit plan issuer's network; and
- 18 (2) include one member who is a physician in the same
19 or similar specialty as the affected physician, if available.

20 (d) The health benefit plan issuer shall provide to the
21 affected physician:

- 22 (1) any recommendation of the advisory review panel;
23 and
- 24 (2) a written explanation of the health benefit plan
25 issuer's determination, if that determination is contrary to the
26 advisory review panel's recommendation.

27 (e) The health benefit plan issuer shall annually report to

1 the department the number of instances in which the health benefit
2 plan issuer makes a determination contrary to the recommendation of
3 the advisory review panel.

4 Sec. 1460.003. RULES. The commissioner shall adopt rules
5 in the manner prescribed by Subchapter A, Chapter 36, as necessary
6 to implement this chapter.

7 Sec. 1460.004. SANCTIONS. A health benefit plan issuer
8 that violates this chapter is subject to sanctions under Chapter
9 82.

10 SECTION 2. (a) A health benefit plan issuer shall comply
11 with Chapter 1460, Insurance Code, not later than December 31,
12 2009.

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

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