

1-1 By: Taylor of Galveston (Senate Sponsor - Huffman) H.B. No. 2605
1-2 (In the Senate - Received from the House April 20, 2011;
1-3 April 26, 2011, read first time and referred to Committee on
1-4 Government Organization; May 16, 2011, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 6, Nays
1-6 0; May 16, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2605 By: Hegar

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the continuation and functions of the division of
1-11 workers' compensation of the Texas Department of Insurance.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 31.004(b), Insurance Code, is amended to
1-14 read as follows:

1-15 (b) Unless continued as provided by Chapter 325, Government
1-16 Code, the duties of the division of workers' compensation of the
1-17 Texas Department of Insurance under Title 5, Labor Code, expire
1-18 September 1, 2017 [~~2011~~], or another date designated by the
1-19 legislature.

1-20 SECTION 2. Sections 1305.355(e), (f), and (g), Insurance
1-21 Code, are amended to read as follows:

1-22 (e) A party to a medical dispute that remains unresolved
1-23 after a review under this section is entitled to a hearing and [may
1-24 seek] judicial review of the decision in accordance with Section
1-25 1305.356. The division of workers' compensation and the department
1-26 are not considered to be parties to the medical dispute.

1-27 (f) A determination of an independent review organization
1-28 related to a request for preauthorization or concurrent review is
1-29 binding during the pendency of a dispute [any appeal], and the
1-30 carrier and network shall comply with the determination.

1-31 (g) If a contested case hearing or judicial review is not
1-32 sought under Section 1305.356 [this section], the carrier and
1-33 network shall comply with the independent review organization's
1-34 determination.

1-35 SECTION 3. Subchapter H, Chapter 1305, Insurance Code, is
1-36 amended by adding Section 1305.356 to read as follows:

1-37 Sec. 1305.356. CONTESTED CASE HEARING ON AND JUDICIAL
1-38 REVIEW OF INDEPENDENT REVIEW. (a) A party to a medical dispute
1-39 that remains unresolved after a review under Section 1305.355 is
1-40 entitled to a contested case hearing. A hearing under this
1-41 subsection shall be conducted by the department's division of
1-42 workers' compensation in the same manner as a hearing conducted
1-43 under Section 413.0311, Labor Code.

1-44 (b) At a contested case hearing held under Subsection (a),
1-45 the hearing officer conducting the hearing shall consider
1-46 evidence-based treatment guidelines adopted by the network under
1-47 Section 1305.304.

1-48 (c) A party that has exhausted all administrative remedies
1-49 under Subsection (a) and is aggrieved by a final decision of the
1-50 department's division of workers' compensation may seek judicial
1-51 review of the decision.

1-52 (d) Judicial review under Subsection (c) shall be conducted
1-53 in the manner provided for judicial review of a contested case under
1-54 Subchapter G, Chapter 2001, Government Code, and is governed by the
1-55 substantial evidence rule.

1-56 SECTION 4. Section 2051.151(e), Insurance Code, is amended
1-57 to read as follows:

1-58 (e) An insurance company that fails to comply with this
1-59 section commits an [a Class D] administrative violation under
1-60 Subtitle A, Title 5, Labor Code.

1-61 SECTION 5. Section 2053.206(a), Insurance Code, is amended
1-62 to read as follows:

1-63 (a) A person commits an [a Class A] administrative violation

2-1 under Subtitle A, Title 5, Labor Code, if the person engages in
2-2 conduct that violates this subchapter.

2-3 SECTION 6. Section 402.023, Labor Code, is amended by
2-4 adding Subsection (c-1) to read as follows:

2-5 (c-1) The division shall adopt a policy outlining the
2-6 division's complaint process from receipt of the initial complaint
2-7 to the complaint's disposition.

2-8 SECTION 7. Subchapter B, Chapter 402, Labor Code, is
2-9 amended by adding Section 402.0231 to read as follows:

2-10 Sec. 402.0231. DOCUMENTATION AND ANALYSIS OF COMPLAINTS.

2-11 (a) The division shall develop procedures to formally document and
2-12 analyze complaints received by the division.

2-13 (b) The division shall compile detailed statistics on all
2-14 complaints received and analyze complaint information trends,
2-15 including:

2-16 (1) the number of complaints;

2-17 (2) the source of each complaint;

2-18 (3) the types of complaints;

2-19 (4) the length of time from the receipt of the
2-20 complaint to its disposition; and

2-21 (5) the disposition of complaints.

2-22 (c) The division shall further analyze the information
2-23 compiled under Subsection (b) by field office and by program.

2-24 (d) The division shall report the information compiled and
2-25 analyzed under Subsections (b) and (c) to the commissioner at
2-26 regular intervals.

2-27 SECTION 8. Section 402.073, Labor Code, is amended to read
2-28 as follows:

2-29 Sec. 402.073. COOPERATION WITH STATE OFFICE OF

2-30 ADMINISTRATIVE HEARINGS. (a) The commissioner and the chief

2-31 administrative law judge of the State Office of Administrative

2-32 Hearings [~~by rule~~] shall adopt a memorandum of understanding

2-33 governing administrative procedure law hearings under this

2-34 subtitle conducted by the State Office of Administrative Hearings

2-35 in the manner provided for a contested case hearing under Chapter

2-36 2001, Government Code. The memorandum of understanding must

2-37 address the payment of costs by parties to a medical fee dispute

2-38 under Section 413.0312.

2-39 (b) In a case in which a hearing is conducted by the State

2-40 Office of Administrative Hearings under Section 413.031 or [7]

2-41 413.055, [~~or 415.034,~~] the administrative law judge who conducts

2-42 the hearing for the State Office of Administrative Hearings shall

2-43 enter the final decision in the case after completion of the

2-44 hearing.

2-45 (c) In a case in which a hearing is conducted in conjunction

2-46 with Section 402.072, 407.046, [~~or~~] 408.023, or 415.034, and in

2-47 other cases under this subtitle that are not subject to Subsection

2-48 (b), the administrative law judge who conducts the hearing for the

2-49 State Office of Administrative Hearings shall propose a decision to

2-50 the commissioner for final consideration and decision by the

2-51 commissioner.

2-52 (d) The notice of the commissioner's order must include a

2-53 statement of the right of the person to judicial review of the

2-54 order.

2-55 (e) In issuing an order under this section, the commissioner

2-56 shall comply with the requirements applicable to a state agency

2-57 under Section 2001.058, Government Code.

2-58 SECTION 9. Section 403.001(a), Labor Code, is amended to
2-59 read as follows:

2-60 (a) Except as provided by Sections 403.006, [~~and~~] 403.007,

2-61 and 403.008, or as otherwise provided by law, money collected under

2-62 this subtitle, including [~~administrative penalties and~~] advance

2-63 deposits for purchase of services, shall be deposited in the

2-64 general revenue fund of the state treasury to the credit of the

2-65 Texas Department of Insurance operating account.

2-66 SECTION 10. Chapter 403, Labor Code, is amended by adding
2-67 Section 403.008 to read as follows:

2-68 Sec. 403.008. DEPOSIT OF ADMINISTRATIVE PENALTIES.

2-69 Administrative penalties collected under this subtitle shall be

3-1 deposited in the general revenue fund.

3-2 SECTION 11. Section 408.0041, Labor Code, is amended by
3-3 amending Subsection (b) and adding Subsection (b-1) to read as
3-4 follows:

3-5 (b) Except as provided by Section 408.1225(f), a [A] medical
3-6 examination requested under Subsection (a) shall be performed by
3-7 the next available doctor on the division's list of certified
3-8 designated doctors whose credentials are appropriate for the area
3-9 of the body affected by the injury [issue in question] and the
3-10 injured employee's diagnosis [medical condition] as determined by
3-11 commissioner rule. [A designated doctor, other than a
3-12 chiropractor, is subject to Section 408.0043. A designated doctor
3-13 who is a chiropractor is subject to Section 408.0045.] The division
3-14 shall assign a designated doctor not later than the 10th day after
3-15 the date on which the request under Subsection (a) is approved, and
3-16 the examination must be conducted not later than the 21st day after
3-17 the date on which the commissioner issues the order under
3-18 Subsection (a). An examination under this section may not be
3-19 conducted more frequently than every 60 days, unless good cause for
3-20 more frequent examinations exists, as defined by commissioner
3-21 rules.

3-22 (b-1) A designated doctor, other than a chiropractor, is
3-23 subject to Section 408.0043. A designated doctor who is a
3-24 chiropractor is subject to Section 408.0045. To the extent of a
3-25 conflict between this section and Section 408.0043 or 408.0045,
3-26 this section controls.

3-27 SECTION 12. Section 408.1225, Labor Code, is amended by
3-28 amending Subsections (a), (b), and (e) and adding Subsections
3-29 (a-1), (a-2), (a-3), (a-4), (a-5), and (f) to read as follows:

3-30 (a) To be eligible to serve as a designated doctor, a doctor
3-31 must maintain an active certification by the division [meet
3-32 specific qualifications, including training in the determination
3-33 of impairment ratings and demonstrated expertise in performing
3-34 examinations and making evaluations as described by Section
3-35 408.0041. The commissioner shall develop qualification standards
3-36 and administrative policies to implement this subsection and may
3-37 adopt rules as necessary].

3-38 (a-1) The commissioner by rule shall develop a process for
3-39 the certification of a designated doctor.

3-40 (a-2) The rules adopted by the commissioner under
3-41 Subsection (a-1) must:

3-42 (1) require the division to evaluate the qualification
3-43 of designated doctors for certification using eligibility
3-44 requirements, including:

3-45 (A) educational experience;

3-46 (B) previous training; and

3-47 (C) demonstrated ability to perform the specific
3-48 designated doctor duties described by Section 408.0041; and

3-49 (2) require standard training and testing to be
3-50 completed in accordance with policies and guidelines developed by
3-51 the division.

3-52 (a-3) The division shall develop guidelines for
3-53 certification training programs for certification of a designated
3-54 doctor under Subsection (a-1) to ensure a designated doctor's
3-55 competency and continued competency in providing assessments,
3-56 including:

3-57 (1) a standard curriculum;

3-58 (2) standard course materials; and

3-59 (3) testing criteria.

3-60 (a-4) The division shall develop and implement a procedure
3-61 to periodically review and update the guidelines developed under
3-62 Subsection (a-3).

3-63 (a-5) The division may authorize an independent training
3-64 and testing provider to conduct the certification program for the
3-65 division under the guidelines developed under Subsection (a-3).

3-66 (b) The commissioner shall ensure the quality of designated
3-67 doctor decisions and reviews through active monitoring of the
3-68 decisions and reviews, and may take action as necessary to:

3-69 (1) restrict the participation of a designated doctor;

4-1 ~~[or]~~

4-2 (2) deny renewal of [remove] a [doctor from inclusion
4-3 on the department's list of] designated doctor's certification; or

4-4 (3) revoke a designated doctor's certification under
4-5 Section 413.044 [doctors].

4-6 (e) A designated doctor, other than a chiropractor, is
4-7 subject to Section 408.0043. A designated doctor who is a
4-8 chiropractor is subject to Section 408.0045. To the extent of a
4-9 conflict between this section and Section 408.0043 or 408.0045,
4-10 this section controls.

4-11 (f) A designated doctor shall continue providing services
4-12 related to a case assigned to the designated doctor, including
4-13 performing subsequent examinations or acting as a resource for
4-14 division disputes, unless the division authorizes the designated
4-15 doctor to discontinue providing services. The commissioner by rule
4-16 shall prescribe the circumstances under which a designated doctor
4-17 is permitted to discontinue providing services, including:

4-18 (1) the doctor decides to stop practicing in the
4-19 workers' compensation system; or

4-20 (2) the doctor relocates the doctor's residence or
4-21 practice.

4-22 SECTION 13. Section 408.141, Labor Code, is amended to read
4-23 as follows:

4-24 Sec. 408.141. AWARD OF SUPPLEMENTAL INCOME BENEFITS. An
4-25 award of a supplemental income benefit~~[, whether by the~~
4-26 ~~commissioner or a court,]~~ shall be made in accordance with this
4-27 subchapter.

4-28 SECTION 14. Section 408.143(a), Labor Code, is amended to
4-29 read as follows:

4-30 (a) ~~An [After the commissioner's initial determination of~~
4-31 ~~supplemental income benefits, the]~~ employee seeking supplemental
4-32 income benefits must file a statement with the insurance carrier
4-33 stating:

4-34 (1) that the employee has earned less than 80 percent
4-35 of the employee's average weekly wage as a direct result of the
4-36 employee's impairment;

4-37 (2) the amount of wages the employee earned in the
4-38 filing period provided by Subsection (b); and

4-39 (3) that the employee has complied with the
4-40 requirements adopted under Section 408.1415.

4-41 SECTION 15. Section 408.147, Labor Code, is amended to read
4-42 as follows:

4-43 Sec. 408.147. CONTEST OF SUPPLEMENTAL INCOME BENEFITS BY
4-44 INSURANCE CARRIER; ATTORNEY'S FEES. ~~[(a) An insurance carrier may~~
4-45 ~~request a benefit review conference to contest an employee's~~
4-46 ~~entitlement to supplemental income benefits or the amount of~~
4-47 ~~supplemental income benefits.~~

4-48 ~~[(b) If an insurance carrier fails to make a request for a~~
4-49 ~~benefit review conference within 10 days after the date of the~~
4-50 ~~expiration of the impairment income benefit period or within 10~~
4-51 ~~days after receipt of the employee's statement, the insurance~~
4-52 ~~carrier waives the right to contest entitlement to supplemental~~
4-53 ~~income benefits and the amount of supplemental income benefits for~~
4-54 ~~that period of supplemental income benefits.~~

4-55 ~~[(c) If an insurance carrier denies an employee's~~
4-56 ~~entitlement [disputes the commissioner's determination that an~~
4-57 ~~employee is entitled] to supplemental income benefits or there is a~~
4-58 ~~dispute regarding the amount of supplemental income benefits due~~
4-59 ~~and the employee prevails on any disputed issue, the insurance~~
4-60 ~~carrier is liable for reasonable and necessary attorney's fees~~
4-61 ~~incurred by the employee as a result of the [insurance carrier's]~~
4-62 ~~dispute and for supplemental income benefits accrued but not paid~~
4-63 ~~and interest on that amount, according to Section 408.064.~~
4-64 ~~Attorney's fees awarded under this section [subsection] are not~~
4-65 ~~subject to Sections 408.221(b), (f), and (i).~~

4-66 SECTION 16. Section 408.149(b), Labor Code, is amended to
4-67 read as follows:

4-68 (b) Either party may request a benefit review conference to
4-69 contest a determination of the commissioner at any time~~[, subject~~

5-1 ~~only to the limits placed on the insurance carrier by Section~~
5-2 ~~408.147].~~

5-3 SECTION 17. Section 408.151(a), Labor Code, is amended to
5-4 read as follows:

5-5 (a) On or after the second anniversary of the date the
5-6 employee is initially awarded ~~[commissioner makes the initial award~~
5-7 ~~of]~~ supplemental income benefits, an insurance carrier may not
5-8 require an employee who is receiving supplemental income benefits
5-9 to submit to a medical examination more than annually if, in the
5-10 preceding year, the employee's medical condition resulting from the
5-11 compensable injury has not improved sufficiently to allow the
5-12 employee to return to work.

5-13 SECTION 18. Section 408.221(b), Labor Code, is amended to
5-14 read as follows:

5-15 (b) Except as otherwise provided, an attorney's fee under
5-16 this section is based on the attorney's time and expenses according
5-17 to written evidence presented to the division or court. Except as
5-18 provided by Subsection (c) or Section 408.147 ~~[408.147(e)]~~, the
5-19 attorney's fee shall be paid from the claimant's recovery.

5-20 SECTION 19. Section 409.021(e), Labor Code, is amended to
5-21 read as follows:

5-22 (e) An insurance carrier commits an administrative ~~[a]~~
5-23 violation if the insurance carrier does not initiate payments or
5-24 file a notice of refusal as required by this section. ~~[A violation~~
5-25 ~~under this subsection shall be assessed at \$500 if the carrier~~
5-26 ~~initiates compensation or files a notice of refusal within five~~
5-27 ~~working days of the date required by Subsection (a), \$1,500 if the~~
5-28 ~~carrier initiates compensation or files a notice of refusal more~~
5-29 ~~than five and less than 16 working days of the date required by~~
5-30 ~~Subsection (a), \$2,500 if the carrier initiates compensation or~~
5-31 ~~files a notice of refusal more than 15 and less than 31 working days~~
5-32 ~~of the date required by Subsection (a), or \$5,000 if the carrier~~
5-33 ~~initiates compensation or files a notice of refusal more than 30~~
5-34 ~~days after the date required by Subsection (a). The administrative~~
5-35 ~~penalties are not cumulative.]~~

5-36 SECTION 20. Section 410.023, Labor Code, is amended by
5-37 amending Subsection (b) and adding Subsections (c) and (d) to read
5-38 as follows:

5-39 (b) The division shall require the party requesting the
5-40 benefit review conference to provide documentation of efforts made
5-41 to resolve the disputed issues before the request was submitted.

5-42 (c) The commissioner by rule shall:

5-43 (1) adopt guidelines regarding the type of information
5-44 necessary to satisfy the requirements of Subsection (b); and

5-45 (2) establish a process through which the division
5-46 evaluates the sufficiency of the documentation provided under
5-47 Subsection (b) [this requirement].

5-48 (d) The division may deny a request for a benefit review
5-49 conference if the party requesting the benefit review conference
5-50 does not provide the documentation required under Subsection (b).

5-51 SECTION 21. Section 410.028, Labor Code, is amended to read
5-52 as follows:

5-53 Sec. 410.028. FAILURE TO ATTEND; ADMINISTRATIVE VIOLATION.

5-54 (a) A scheduled benefit review conference shall be conducted even
5-55 though a party fails to attend unless the benefit review officer
5-56 determines that good cause, as defined by commissioner rule, exists
5-57 to reschedule the conference.

5-58 (b) If a party to a benefit review conference under Section
5-59 410.023 requests that the benefit review conference be rescheduled
5-60 under this section, the party must submit a request in the same
5-61 manner as an initial request under Section 410.023. The division
5-62 shall evaluate a request for a rescheduled benefit review
5-63 conference received under this section in the same manner as an
5-64 initial request received under Section 410.023.

5-65 (c) If a [A party commits an administrative violation if
5-66 the] party fails to request that a benefit review conference be
5-67 rescheduled in the time required by commissioner rule or fails to
5-68 attend a benefit review conference without good cause as defined
5-69 [determined] by commissioner rule, the party forfeits the party's

6-1 entitlement to attend a benefit review conference on the issue in
6-2 dispute, unless a [the] benefit review officer is authorized to
6-3 schedule an additional benefit review conference under Section
6-4 410.026(b).

6-5 (d) The commissioner shall adopt rules necessary to
6-6 implement and enforce this section, including rules that:

6-7 (1) define good cause; and

6-8 (2) establish deadlines for requesting that a benefit
6-9 review conference be rescheduled under Subsection (b).

6-10 SECTION 22. Section 410.203(b), Labor Code, is amended to
6-11 read as follows:

6-12 (b) The appeals panel may:

6-13 (1) reverse the decision of the hearings officer and
6-14 render a new decision; ~~[or]~~

6-15 (2) reverse the decision of the hearings officer and
6-16 remand the case to the hearing officer for further consideration
6-17 and development of evidence; or

6-18 (3) affirm the decision of the hearings officer in a
6-19 case described by Section 410.204(a-1).

6-20 SECTION 23. Section 410.204, Labor Code, is amended by
6-21 amending Subsection (a) and adding Subsection (a-1) to read as
6-22 follows:

6-23 (a) The appeals panel shall review each request and issue a
6-24 written decision on each reversed or remanded case. The appeals
6-25 panel may issue a written decision on an affirmed case as described
6-26 by Subsection (a-1). The decision must be in writing and shall be
6-27 issued not later than the 45th day after the date on which the
6-28 written response to the request for appeal is filed. The appeals
6-29 panel shall file a copy of the decision with the commissioner.

6-30 (a-1) An appeals panel may only issue a written decision in
6-31 a case in which the panel affirms the decision of a hearings officer
6-32 if the case:

6-33 (1) is a case of first impression;

6-34 (2) involves a recent change in law; or

6-35 (3) involves errors at the contested case hearing that
6-36 require correction but do not affect the outcome of the hearing,
6-37 including:

6-38 (A) findings of fact for which insufficient
6-39 evidence exists;

6-40 (B) incorrect conclusions of law;

6-41 (C) findings of fact or conclusions of law
6-42 regarding matters that were not properly before the hearings
6-43 officer; and

6-44 (D) legal errors not otherwise described by this
6-45 subdivision.

6-46 SECTION 24. Sections 413.031(k) and (k-1), Labor Code, are
6-47 amended to read as follows:

6-48 (k) A party to a medical dispute [~~, other than a medical~~
6-49 ~~dispute regarding spinal surgery subject to Subsection (l) and a~~
6-50 ~~dispute subject to Section 413.0311,~~] that remains unresolved after
6-51 a review of the medical service under this section is entitled to a
6-52 hearing under Section 413.0311 or 413.0312, as applicable. [A
6-53 ~~hearing under this subsection shall be conducted by the State~~
6-54 ~~Office of Administrative Hearings not later than the 60th day after~~
6-55 ~~the date on which the party notifies the division of the request for~~
6-56 ~~a hearing. The hearing shall be conducted in the manner provided~~
6-57 ~~for a contested case under Chapter 2001, Government Code.]~~

6-58 (k-1) A party who has exhausted all administrative remedies
6-59 described by [under] Subsection (k) and who is aggrieved by a final
6-60 decision of the division or the State Office of Administrative
6-61 Hearings may seek judicial review of the decision. Judicial review
6-62 under this subsection shall be conducted in the manner provided for
6-63 judicial review of a contested case under Subchapter G, Chapter
6-64 2001, Government Code.

6-65 SECTION 25. The heading to Section 413.0311, Labor Code, is
6-66 amended to read as follows:

6-67 Sec. 413.0311. REVIEW OF [CERTAIN] MEDICAL NECESSITY
6-68 DISPUTES; CONTESTED CASE HEARING.

6-69 SECTION 26. Section 413.0311(a), Labor Code, is amended to

7-1 read as follows:

7-2 (a) This section applies only to ~~[the following medical~~
7-3 ~~disputes that remain unresolved after any applicable review under~~
7-4 ~~Sections 413.031(b) through (i):~~

7-5 ~~[(1) a medical fee dispute in which the amount of~~
7-6 ~~reimbursement sought by the requestor in its request for medical~~
7-7 ~~dispute resolution does not exceed \$2,000;~~

7-8 ~~[(2)] an appeal of an independent review organization~~
7-9 ~~decision regarding determination of the [retrospective] medical~~
7-10 ~~necessity for a health care service [for which the amount billed~~
7-11 ~~does not exceed \$3,000; and~~

7-12 ~~[(3) an appeal of an independent review organization~~
7-13 ~~decision regarding determination of the concurrent or prospective~~
7-14 ~~medical necessity for a health care service].~~

7-15 SECTION 27. Subchapter C, Chapter 413, Labor Code, is
7-16 amended by adding Section 413.0312 to read as follows:

7-17 Sec. 413.0312. REVIEW OF MEDICAL FEE DISPUTES; BENEFIT
7-18 REVIEW CONFERENCE. (a) This section applies only to a medical fee
7-19 dispute that remains unresolved after any applicable review under
7-20 Sections 413.031(b) through (i).

7-21 (b) Subject to Subsection (e), a party to a medical fee
7-22 dispute described by Subsection (a) must adjudicate the dispute in
7-23 the manner required by Subchapter B, Chapter 410.

7-24 (c) At a benefit review conference conducted under this
7-25 section, the parties to the dispute may not resolve the dispute by
7-26 negotiating fees that are inconsistent with any applicable fee
7-27 guidelines adopted by the commissioner.

7-28 (d) If issues remain unresolved after a benefit review
7-29 conference, the parties may elect to engage in arbitration as
7-30 provided by Section 410.104.

7-31 (e) If arbitration is not elected as described by Subsection
7-32 (d), a party to a medical fee dispute described by Subsection (a) is
7-33 entitled to a contested case hearing. A hearing under this
7-34 subsection shall be conducted by the State Office of Administrative
7-35 Hearings in the manner provided for a contested case under Chapter
7-36 2001, Government Code.

7-37 (f) The commissioner or the division may participate in a
7-38 contested case hearing conducted under Subsection (e) if the
7-39 hearing involves the interpretation of fee guidelines adopted by
7-40 the commissioner. The division and the department are not
7-41 considered to be parties to the medical fee dispute for purposes of
7-42 this section.

7-43 (g) Except as otherwise provided by this subsection, the
7-44 nonprevailing party shall reimburse the division for the costs for
7-45 services provided by the State Office of Administrative Hearings
7-46 under this section. If the injured employee is the nonprevailing
7-47 party, the insurance carrier shall reimburse the division for the
7-48 costs for services provided by the State Office of Administrative
7-49 Hearings under this section. The party required to reimburse the
7-50 division under this subsection shall remit payment to the division
7-51 not later than the 30th day after the date of receiving a bill or
7-52 statement from the division.

7-53 (h) The State Office of Administrative Hearings shall
7-54 timely notify the division if a dispute is dismissed before
7-55 issuance of a decision under this section. In the event of a
7-56 dismissal, the party requesting the hearing, other than the injured
7-57 employee, shall reimburse the division for the costs for services
7-58 provided by the State Office of Administrative Hearings unless
7-59 otherwise agreed by the parties. If the injured employee requested
7-60 the hearing, the insurance carrier shall reimburse the division for
7-61 the costs for services provided by the State Office of
7-62 Administrative Hearings unless otherwise agreed by the parties.
7-63 The responsible party shall remit payment to the division not later
7-64 than the 30th day after the date of receiving a bill or statement
7-65 from the division.

7-66 (i) The State Office of Administrative Hearings shall
7-67 identify the nonprevailing party and any costs for services
7-68 provided by the office under this section in its final decision.
7-69 Money collected by the division under this section shall be

8-1 deposited in the general revenue fund to the credit of the Texas
 8-2 Department of Insurance operating account.

8-3 (j) Interest on the amount of reimbursement required by this
 8-4 section that remains unpaid accrues at a rate provided by Section
 8-5 401.023 beginning on the 45th day after the date the division
 8-6 submits the bill or statement to a party until the date the
 8-7 reimbursement is paid. Failure to pay the division as required by
 8-8 this section is an administrative violation under this subtitle.

8-9 (k) The commissioner by rule shall establish procedures to
 8-10 enable the division to charge a party to a medical fee dispute,
 8-11 other than an injured employee, for the costs of services provided
 8-12 by the State Office of Administrative Hearings.

8-13 SECTION 28. Section 413.044(b), Labor Code, is amended to
 8-14 read as follows:

8-15 (b) Sanctions imposed under Subsection (a) may include:

8-16 (1) revocation of certification for a designated
 8-17 doctor on ~~[removal or suspension from]~~ the division list of
 8-18 designated doctors; or

8-19 (2) restrictions on the reviews made by the person as a
 8-20 designated doctor.

8-21 SECTION 29. Section 413.0512, Labor Code, is amended by
 8-22 amending Subsections (b), (c), (d), (e), and (f) and adding
 8-23 Subsections (g) and (h) to read as follows:

8-24 (b) The agencies that regulate health professionals who are
 8-25 licensed or otherwise authorized to practice a health profession
 8-26 under Title 3, Occupations Code, and who are involved in the
 8-27 provision of health care as part of the workers' compensation
 8-28 system in this state ~~[Texas State Board of Medical Examiners and the~~
 8-29 ~~Texas Board of Chiropractic Examiners, with input from their~~
 8-30 ~~respective professional associations,~~ shall develop lists of
 8-31 health care providers ~~[physicians and chiropractors]~~ licensed or
 8-32 otherwise regulated by those agencies who have demonstrated
 8-33 experience in workers' compensation or utilization review. The
 8-34 medical advisor shall consider appointing some of the members of
 8-35 the medical quality review panel from the names on those lists and,
 8-36 when appointing members of the medical quality review panel, shall
 8-37 select specialists from various health care specialty fields to
 8-38 serve on the panel to ensure that the membership of the panel has
 8-39 expertise in a wide variety of health care specialty fields. The
 8-40 medical advisor shall also consider nominations for the panel made
 8-41 by labor, business, and insurance organizations.

8-42 (c) The medical quality review panel shall recommend to the
 8-43 medical advisor:

8-44 (1) appropriate action regarding doctors, other
 8-45 health care providers, insurance carriers, utilization review
 8-46 agents, and independent review organizations; ~~and~~

8-47 (2) the addition or deletion of doctors from the list
 8-48 of approved doctors under Section 408.023; and

8-49 (3) the certification, revocation of certification,
 8-50 or denial of renewal of certification ~~[or the list]~~ of a designated
 8-51 doctor ~~[doctors established]~~ under Section 408.1225.

8-52 (d) A person who serves on the medical quality review panel
 8-53 is immune from suit and from civil liability for an act performed,
 8-54 or a recommendation made, within the scope of the person's
 8-55 functions as a member of the panel if the person acts without malice
 8-56 and in the reasonable belief that the action or recommendation is
 8-57 warranted by the facts known to that person. In the event of a civil
 8-58 action brought against a member of the panel that arises from the
 8-59 person's participation on the panel, the person is entitled to the
 8-60 same protections afforded the commissioner ~~[a commission member]~~
 8-61 under Section 402.00123 ~~[402.010]~~.

8-62 (e) The actions of a person serving on the medical quality
 8-63 review panel do not constitute utilization review and are not
 8-64 subject to Chapter 4201 ~~[Article 21.58A]~~, Insurance Code.

8-65 (f) A member of the medical quality review panel ~~[, other~~
 8-66 ~~than a chiropractor,~~ who reviews a specific workers' compensation
 8-67 case is subject to Section 408.0043, 408.0044, or ~~[. A chiropractor~~
 8-68 ~~who reviews a specific workers' compensation case is subject to~~
 8-69 ~~Section] 408.0045, as applicable.~~

9-1 (g) The medical advisor shall notify the division if the
9-2 medical advisor determines that:

9-3 (1) it is no longer necessary for the medical quality
9-4 review panel to include a member that practices in a particular
9-5 health care specialty field; or

9-6 (2) there is a need for the panel to include a member
9-7 that practices in a particular health care specialty field not
9-8 represented on the panel.

9-9 (h) If the division receives notice from the medical advisor
9-10 under Subsection (g)(2), the division may enter into agreements
9-11 with other state agencies to access, as necessary, expertise in
9-12 that health care specialty field.

9-13 SECTION 30. Subchapter E, Chapter 413, Labor Code, is
9-14 amended by adding Sections 413.05115, 413.05121, and 413.05122 to
9-15 read as follows:

9-16 Sec. 413.05115. MEDICAL QUALITY REVIEW PROCESS. (a) The
9-17 division shall develop, and the commissioner shall adopt, criteria
9-18 concerning the medical case review process under this subchapter.
9-19 In developing the criteria, and before adopting the criteria, the
9-20 division and the commissioner, as applicable, must consult with the
9-21 medical advisor and seek input from potentially affected parties,
9-22 including health care providers and insurance carriers.

9-23 (b) The criteria developed and adopted under this section
9-24 must establish a clear process or processes:

9-25 (1) for handling complaint-based medical case
9-26 reviews; and

9-27 (2) through which the division selects health care
9-28 providers or other entities for a compliance audit or review.

9-29 (c) The division shall make the criteria developed and
9-30 adopted under this section available on the Internet website
9-31 maintained by the division.

9-32 Sec. 413.05121. QUALITY ASSURANCE PANEL. (a) The medical
9-33 advisor shall establish the quality assurance panel within the
9-34 medical quality review panel to:

9-35 (1) provide an additional level of evaluation in
9-36 medical case reviews; and

9-37 (2) assist the medical advisor in performing the
9-38 advisor's duties under Section 413.0511(b)(6) and the medical
9-39 quality review panel in performing that panel's duties under
9-40 Section 413.0512.

9-41 (b) Members of the quality assurance panel shall evaluate
9-42 medical care and recommend enforcement actions to the medical
9-43 advisor.

9-44 (c) The quality assurance panel shall meet periodically to
9-45 discuss issues and otherwise offer assistance to the medical
9-46 advisor and the medical quality review panel under Subsection
9-47 (a)(2).

9-48 Sec. 413.05122. MEDICAL QUALITY REVIEW PANEL: RULES;
9-49 TRAINING. (a) The commissioner, after consultation with the
9-50 medical advisor, shall adopt rules concerning the operation of the
9-51 medical quality review panel, including rules that establish:

9-52 (1) the qualifications necessary for a health care
9-53 provider to serve on the medical quality review panel;

9-54 (2) the composition of the medical quality review
9-55 panel, including the number of members to be included on the panel
9-56 and the health care specialty fields required to be represented by
9-57 the members of the panel;

9-58 (3) the maximum length of time a health care provider
9-59 may serve on the medical quality review panel;

9-60 (4) a policy defining situations that constitute a
9-61 conflict of interest for a member of the medical quality review
9-62 panel;

9-63 (5) procedures and grounds for removing a member of
9-64 the medical quality review panel from the panel, including as a
9-65 ground for removal that a member is repeatedly delinquent in
9-66 conducting case reviews; and

9-67 (6) a procedure through which members of the medical
9-68 quality review panel are notified concerning the status and
9-69 enforcement outcomes of cases resulting from the medical quality

10-1 review process.

10-2 (b) In addition to the rules required under Subsection (a),
 10-3 the commissioner shall adopt rules concerning the training
 10-4 requirements for members of the medical quality review panel. The
 10-5 rules adopted under this subsection must ensure that panel members
 10-6 are fully aware of any requirements imposed by this subtitle
 10-7 concerning the medical quality review process and the division's
 10-8 goals concerning the process. The rules adopted under this
 10-9 subsection may require members to receive training on any topic
 10-10 determined by the division or the commissioner to be relevant to the
 10-11 operations of the panel and must require members of the panel to
 10-12 receive training concerning:

10-13 (1) administrative violations that affect the
 10-14 delivery of appropriate medical care;

10-15 (2) the confidentiality requirements described by
 10-16 Section 413.0513 and the immunity from liability provided to
 10-17 members of the panel under Section 413.054; and

10-18 (3) the medical quality review criteria adopted under
 10-19 Section 413.05115.

10-20 SECTION 31. Section 413.054(a), Labor Code, is amended to
 10-21 read as follows:

10-22 (a) A person who performs services for the division as a
 10-23 designated doctor, an independent medical examiner, a doctor
 10-24 performing a medical case review, or a member of a peer review panel
 10-25 has the same immunity from liability as the commissioner under
 10-26 Section 402.00123 [~~402.0024~~].

10-27 SECTION 32. Section 414.005, Labor Code, is amended to read
 10-28 as follows:

10-29 Sec. 414.005. INVESTIGATION UNIT. (a) The division shall
 10-30 maintain an investigation unit to conduct investigations relating
 10-31 to alleged violations of this subtitle, commissioner rules, or a
 10-32 commissioner order or decision, with particular emphasis on
 10-33 violations of Chapters 415 and 416.

10-34 (b) As often as the commissioner considers necessary, the
 10-35 commissioner or the investigation unit may review the operations of
 10-36 a person regulated by the division, including an agent of the person
 10-37 performing functions regulated by the division, to determine
 10-38 compliance with this subtitle.

10-39 (c) The review described by Subsection (b) may include
 10-40 on-site visits to the person's premises. The commissioner is not
 10-41 required to announce an on-site visit in advance.

10-42 (d) During an on-site visit, a person regulated by the
 10-43 division shall make available to the division all records relating
 10-44 to the person's participation in the workers' compensation system.

10-45 (e) The commissioner by rule shall prescribe the procedures
 10-46 to be used for both announced and unannounced on-site visits
 10-47 authorized under this section, including specifying the types of
 10-48 records subject to inspection.

10-49 SECTION 33. Section 415.0035(e), Labor Code, is amended to
 10-50 read as follows:

10-51 (e) A person regulated by the division under this title [~~An~~
 10-52 ~~insurance carrier or health care provider~~] commits an
 10-53 administrative violation if the [~~that~~] person violates this
 10-54 subtitle or a rule, order, or decision of the commissioner.

10-55 SECTION 34. Section 415.008(a), Labor Code, is amended to
 10-56 read as follows:

10-57 (a) A person commits an administrative [~~a~~] violation if the
 10-58 person, to obtain or deny a payment of a workers' compensation
 10-59 benefit or the provision of a benefit for the person or another,
 10-60 knowingly or intentionally:

10-61 (1) makes a false or misleading statement;

10-62 (2) misrepresents or conceals a material fact;

10-63 (3) fabricates, alters, conceals, or destroys a
 10-64 document; or

10-65 (4) conspires to commit an act described by
 10-66 Subdivision (1), (2), or (3).

10-67 SECTION 35. Sections 415.009 and 415.010, Labor Code, are
 10-68 amended to read as follows:

10-69 Sec. 415.009. FRIVOLOUS ACTIONS; ADMINISTRATIVE VIOLATION.

11-1 [~~(a)~~] A person commits an administrative [~~a~~] violation if the
11-2 person brings, prosecutes, or defends an action for benefits under
11-3 this subtitle or requests initiation of an administrative violation
11-4 proceeding that does not have a basis in fact or is not warranted by
11-5 existing law or a good faith argument for the extension,
11-6 modification, or reversal of existing law.

11-7 [~~(b) A violation under Subsection (a) is a Class B~~
11-8 ~~administrative violation.~~]

11-9 Sec. 415.010. BREACH OF AGREEMENT; ADMINISTRATIVE
11-10 VIOLATION. [~~(a)~~] A party to an agreement approved by the division
11-11 commits an administrative [~~a~~] violation if the person breaches a
11-12 provision of the agreement.

11-13 [~~(b) A violation under Subsection (a) is a Class C~~
11-14 ~~administrative violation.~~]

11-15 SECTION 36. The heading to Subchapter B, Chapter 415, Labor
11-16 Code, is amended to read as follows:

11-17 SUBCHAPTER B. SANCTIONS [~~PENALTIES~~]

11-18 SECTION 37. Section 415.021(a), Labor Code, is amended to
11-19 read as follows:

11-20 (a) In addition to any other provisions in this subtitle
11-21 relating to violations, a person commits an administrative
11-22 violation if the person violates, fails to comply with, or refuses
11-23 to comply with this subtitle or a rule, order, or decision of the
11-24 commissioner, including an emergency cease and desist order issued
11-25 under Section 415.0211. In addition to any sanctions,
11-26 administrative penalty, or other remedy authorized by this
11-27 subtitle, the commissioner may assess an administrative penalty
11-28 against a person who commits an administrative violation. The
11-29 administrative penalty shall not exceed \$25,000 per day per
11-30 occurrence. Each day of noncompliance constitutes a separate
11-31 violation. The commissioner's authority under this chapter is in
11-32 addition to any other authority to enforce a sanction, penalty,
11-33 fine, forfeiture, denial, suspension, or revocation otherwise
11-34 authorized by law.

11-35 SECTION 38. Subchapter B, Chapter 415, Labor Code, is
11-36 amended by adding Section 415.0211 to read as follows:

11-37 Sec. 415.0211. EMERGENCY CEASE AND DESIST ORDER. (a) The
11-38 commissioner ex parte may issue an emergency cease and desist order
11-39 if:

11-40 (1) the commissioner believes a person regulated by
11-41 the division under this title is engaging in conduct violating a
11-42 law, rule, or order; and

11-43 (2) the commissioner believes that the alleged conduct
11-44 under Subdivision (1) will result in harm to the health, safety, or
11-45 welfare of another person.

11-46 (b) On issuance of an order under Subsection (a), the
11-47 commissioner shall serve on the affected person an order that
11-48 contains a statement of the charges and requires the person
11-49 immediately to cease and desist from the acts, methods, or
11-50 practices stated in the order. The commissioner shall serve the
11-51 order by registered or certified mail, return receipt requested, to
11-52 the affected person's last known address. The order is final on the
11-53 31st day after the date the affected person receives the order,
11-54 unless the affected person requests a hearing under Subsection (c).

11-55 (c) A person affected by an order is entitled to request a
11-56 hearing to contest the order. The affected person must request the
11-57 hearing not later than the 30th day after the date the person
11-58 receives the order required by Subsection (b). A request to contest
11-59 an order must:

11-60 (1) be in writing;

11-61 (2) be directed to the commissioner; and

11-62 (3) state the grounds for the request to set aside or
11-63 modify the order.

11-64 (d) On receiving a request for a hearing, the commissioner
11-65 shall serve notice of the time and place of the hearing. The
11-66 hearing is subject to the procedures for a contested case under
11-67 Chapter 2001, Government Code. The hearing shall be held not later
11-68 than the 10th day after the date the commissioner receives the
11-69 request for a hearing unless the parties mutually agree to a later

12-1 hearing date. At the hearing, the person requesting the hearing is
12-2 entitled to show cause why the order should not be affirmed.
12-3 Following receipt of the proposal for decision from the State
12-4 Office of Administrative Hearings regarding the hearing, the
12-5 commissioner shall wholly or partly affirm, modify, or set aside
12-6 the order.

12-7 (e) Pending a hearing under this section, an order continues
12-8 in effect unless the order is stayed by the commissioner.

12-9 SECTION 39. Section 402.072, Labor Code, is transferred to
12-10 Subchapter B, Chapter 415, Labor Code, and redesignated as Section
12-11 415.0215, Labor Code, to read as follows:

12-12 Sec. 415.0215 [402.072]. SANCTIONS. (a) The division may
12-13 impose sanctions against any person regulated by the division under
12-14 this subtitle.

12-15 (b) Only the commissioner may impose:

12-16 (1) a sanction that deprives a person of the right to
12-17 practice before the division or of the right to receive
12-18 remuneration under this subtitle for a period exceeding 30 days; or

12-19 (2) another sanction suspending for more than 30 days
12-20 or revoking a license, certification, or permit required for
12-21 practice in the field of workers' compensation.

12-22 (c) A sanction imposed by the division is binding pending
12-23 appeal.

12-24 SECTION 40. Sections 415.025, 415.032, 415.033, and
12-25 415.034, Labor Code, are amended to read as follows:

12-26 Sec. 415.025. REFERENCES TO A CLASS OF VIOLATION OR
12-27 PENALTY. A reference in this code or other law, or in rules of the
12-28 former Texas Workers' Compensation Commission or the commissioner,
12-29 to a particular class of violation, administrative violation, or
12-30 penalty shall be construed as a reference to an administrative
12-31 penalty. ~~An [Except as otherwise provided by this subtitle, an]~~
12-32 ~~administrative penalty may not exceed \$25,000 per day per~~
12-33 ~~occurrence. Each day of noncompliance constitutes a separate~~
12-34 ~~violation.~~

12-35 Sec. 415.032. NOTICE OF POSSIBLE ADMINISTRATIVE VIOLATION;
12-36 RESPONSE. (a) If investigation by the division indicates that an
12-37 administrative violation has occurred, the division shall notify
12-38 the person alleged to have committed the violation in writing of:

12-39 (1) the charge;

12-40 (2) the proposed sanction [~~penalty~~];

12-41 (3) the right to consent to the charge and the sanction
12-42 [~~penalty~~]; and

12-43 (4) the right to request a hearing.

12-44 (b) Not later than the 20th day after the date on which
12-45 notice is received, the charged party shall:

12-46 (1) remit the amount of the sanction [~~penalty~~] to the
12-47 division or otherwise consent to the imposed sanction; or

12-48 (2) submit to the division a written request for a
12-49 hearing.

12-50 Sec. 415.033. FAILURE TO RESPOND. If, without good cause, a
12-51 charged party fails to respond as required under Section 415.032,
12-52 [~~the penalty is due and~~] the division shall initiate enforcement
12-53 proceedings.

12-54 Sec. 415.034. HEARING PROCEDURES. [~~(a)~~] On the request of
12-55 the charged party or the commissioner, the State Office of
12-56 Administrative Hearings shall set a hearing. The hearing shall be
12-57 conducted in the manner provided for a contested case under Chapter
12-58 2001, Government Code (the administrative procedure law).

12-59 [~~(b) At the close of the hearing, the hearing officer~~
12-60 ~~conducting the hearing shall make findings of fact and conclusions~~
12-61 ~~of law and shall issue a written decision. If the hearing officer~~
12-62 ~~determines that an administrative violation has occurred, the~~
12-63 ~~hearing officer shall include in the decision the amount of the~~
12-64 ~~administrative penalty assessed and shall order payment of the~~
12-65 ~~penalty.~~

12-66 [~~(c) The findings of fact, the decision, and the order shall~~
12-67 ~~be sent immediately to the charged party.]~~

12-68 SECTION 41. Subchapter C, Chapter 415, Labor Code, is
12-69 amended by adding Section 415.036 to read as follows:

13-1 Sec. 415.036. STANDARD OF JUDICIAL REVIEW OF COMMISSIONER'S
 13-2 ORDER. An order of the commissioner is subject to judicial review
 13-3 under the substantial evidence rule.

13-4 SECTION 42. Subchapter C, Chapter 504, Labor Code, is
 13-5 amended by adding Section 504.054 to read as follows:

13-6 Sec. 504.054. CONTESTED CASE HEARING ON AND JUDICIAL REVIEW
 13-7 OF INDEPENDENT REVIEW. (a) A party to a medical dispute that
 13-8 remains unresolved after the review described by Section
 13-9 504.053(d)(3) is entitled to a contested case hearing. A hearing
 13-10 under this subsection shall be conducted by the division in the same
 13-11 manner as a hearing conducted under Section 413.0311.

13-12 (b) The hearing officer conducting the contested case
 13-13 hearing under Subsection (a) shall consider any treatment
 13-14 guidelines adopted by the political subdivision or pool that
 13-15 provides medical benefits under Section 504.053(b)(2) if those
 13-16 guidelines meet the standards provided by Section 413.011(e).

13-17 (c) A party that has exhausted all administrative remedies
 13-18 under Subsection (a) and is aggrieved by a final decision of the
 13-19 division may seek judicial review of the decision.

13-20 (d) Judicial review under Subsection (c) shall be conducted
 13-21 in the manner provided for judicial review of a contested case under
 13-22 Subchapter G, Chapter 2001, Government Code, and is governed by the
 13-23 substantial evidence rule.

13-24 (e) A decision of the independent review organization is
 13-25 binding during the pendency of a dispute.

13-26 SECTION 43. The following provisions of the Labor Code are
 13-27 repealed:

- 13-28 (1) Sections 415.0035(c), (d), and (f);
- 13-29 (2) Section 415.0036(c);
- 13-30 (3) Section 415.004;
- 13-31 (4) Section 415.008(b); and
- 13-32 (5) Section 415.022.

13-33 SECTION 44. Sections 1305.355(e), (f), and (g), Insurance
 13-34 Code, as amended by this Act, and Section 1305.356, Insurance Code,
 13-35 as added by this Act, apply to a medical dispute based on a review by
 13-36 an independent review organization under Section 1305.355 that is
 13-37 commenced on or after June 1, 2012. A dispute based on a review by
 13-38 an independent review organization under Section 1305.355 that is
 13-39 commenced before June 1, 2012, is governed by the law in effect
 13-40 immediately before the effective date of this Act, and that law is
 13-41 continued in effect for that purpose.

13-42 SECTION 45. (a) Section 402.073, Labor Code, as amended by
 13-43 this Act, applies only to an administrative hearing that is
 13-44 conducted on or after the effective date of this Act. An
 13-45 administrative hearing conducted before the effective date of this
 13-46 Act is governed by the law in effect when the hearing was conducted,
 13-47 and the former law is continued in effect for that purpose.

13-48 (b) The State Office of Administrative Hearings and the
 13-49 division of workers' compensation of the Texas Department of
 13-50 Insurance shall adopt an updated memorandum of understanding
 13-51 required by Section 402.073, Labor Code, as amended by this Act, not
 13-52 later than June 1, 2012.

13-53 SECTION 46. Section 403.001, Labor Code, as amended by this
 13-54 Act, and Section 403.008, Labor Code, as added by this Act, apply
 13-55 only to an administrative penalty assessed for an administrative
 13-56 violation that occurs on or after the effective date of this Act.
 13-57 An administrative penalty assessed for an administrative violation
 13-58 that occurred before the effective date of this Act is governed by
 13-59 the law in effect when the violation occurred, and the former law is
 13-60 continued in effect for that purpose.

13-61 SECTION 47. (a) The commissioner of workers' compensation
 13-62 shall adopt the rules regarding certification of designated doctors
 13-63 required by Section 408.1225, Labor Code, as amended by this Act,
 13-64 not later than January 1, 2013.

13-65 (b) A designated doctor is not required to obtain
 13-66 certification under Section 408.1225, Labor Code, as amended by
 13-67 this Act, before January 1, 2013.

13-68 (c) Sections 408.1225(b), 413.044(b), and 413.0512(c),
 13-69 Labor Code, as amended by this Act, apply only to a disciplinary

14-1 action taken against a designated doctor on or after January 1,
14-2 2013. A disciplinary action taken against a designated doctor
14-3 before that date is governed by the law as it existed immediately
14-4 before the effective date of this Act, and the former law is
14-5 continued in effect for that purpose.

14-6 (d) Section 408.0041, Labor Code, as amended by this Act,
14-7 applies only to a medical examination by a designated doctor that
14-8 occurs on or after January 1, 2013. A medical examination that
14-9 occurs before that date is governed by the law as it existed
14-10 immediately before the effective date of this Act, and the former
14-11 law is continued in effect for that purpose.

14-12 SECTION 48. The change in law made by this Act in amending
14-13 Sections 409.021, 415.0035, 415.008, 415.009, 415.010, 415.021,
14-14 415.025, 415.032, 415.033, and 415.034, Labor Code, and Sections
14-15 2051.151 and 2053.206, Insurance Code, adding Section 415.0211,
14-16 Labor Code, and repealing Sections 415.0035(c), (d), and (f),
14-17 415.0036(c), 415.004, 415.008(b), and 415.022, Labor Code, applies
14-18 only to an administrative violation that occurs on or after the
14-19 effective date of this Act. An administrative violation that
14-20 occurs before the effective date of this Act is governed by the law
14-21 in effect on the date the violation occurred, and the former law is
14-22 continued in effect for that purpose.

14-23 SECTION 49. Sections 410.023 and 410.028, Labor Code, as
14-24 amended by this Act, apply only to a benefit review conference
14-25 requested on or after the effective date of this Act. A benefit
14-26 review conference requested before the effective date of this Act
14-27 is governed by the law in effect immediately before the effective
14-28 date of this Act, and that law is continued in effect for that
14-29 purpose.

14-30 SECTION 50. Sections 413.031(k) and (k-1) and 413.0311(a),
14-31 Labor Code, as amended by this Act, and Section 413.0312, Labor
14-32 Code, as added by this Act, apply only to the appeal of a medical fee
14-33 dispute under those sections that is based on a review conducted by
14-34 the division of workers' compensation of the Texas Department of
14-35 Insurance on or after June 1, 2012. The appeal of a medical fee
14-36 dispute that is based on a review conducted by the division of
14-37 workers' compensation before June 1, 2012, is governed by the law in
14-38 effect immediately before the effective date of this Act, and that
14-39 law is continued in effect for that purpose.

14-40 SECTION 51. Section 414.005, Labor Code, as amended by this
14-41 Act, applies only to an investigation or review conducted on or
14-42 after the effective date of this Act. An investigation or review
14-43 conducted before the effective date of this Act is governed by the
14-44 law in effect when the investigation or review was conducted, and
14-45 the former law is continued in effect for that purpose.

14-46 SECTION 52. Section 415.036, Labor Code, as added by this
14-47 Act, applies only to an order of the commissioner of workers'
14-48 compensation issued on or after the effective date of this Act. An
14-49 order of the commissioner that was issued before the effective date
14-50 of this Act is governed by the law in effect when the order was
14-51 issued, and the former law is continued in effect for that purpose.

14-52 SECTION 53. This Act takes effect September 1, 2011.

14-53 * * * * *