

BILL ANALYSIS

Senate Research Center
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H.B. 3152
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3152 amends the Insurance Code to establish that if, for the purposes of credentialing and contracting with health care providers on behalf of a certified workers' compensation health care network, a person is serving as both a management contractor or a third party to which the network delegates a function and as an agent of a health care provider, the contract between the management contractor or third party and the health care provider is required to specify the certified network's contract rate for health care services and the amount of reimbursement the health care provider will be paid after the health care provider agent's fee for providing the administrative services is applied. The bill requires such a contract to comply with the requirements of the bill's provisions and other provisions of the Workers' Compensation Health Care Network Act. The bill requires the health care provider to be reimbursed in accordance with the terms of the contract if the contract complies with those requirements, but requires the health care provider to be reimbursed in accordance with the certified network's contracted rate if the contract does not comply with those requirements.

H.B. 3152 requires a management contractor for a certified network or third party to which a certified network delegates a function that is also serving as an agent for health care providers in the certified network to disclose that relationship in its contract with the certified network. The bill requires a contract between a certified network and a management contractor or third party to which the network delegates a function to comply with the requirements of the bill's provisions and other provisions of the Workers' Compensation Health Care Network Act. The bill prohibits a certified network, management contractor, or third party to which the network delegates a function from requiring a health care provider, as a condition for contracting with the certified network, to utilize as a health care provider agent the management contractor or the third party.

H.B. 3152 amends current law relating to the payment of and contracts with health care providers by certain entities under contract with a certified workers' compensation network.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1305.153, Insurance Code, by adding Subsections (f), (g), (h), (i), and (j), as follows:

(f) Requires that the contract between the management contractor or third party and the health care provider, if, for the purposes of credentialing and contracting with health care providers on behalf of the certified network, a person is serving as both a management contractor under Section 1305.102 (Management Contracts) or a third party to which the network delegates a function and as an agent of the health care provider, specify the certified network's contract rate for health care services and the amount of reimbursement the health care provider will be paid after the health care provider agent's fee for providing administrative services is applied.

(g) Requires the management contractor or third party, if a management contractor or third party to which the network delegates a function is serving as an agent for health care providers in the certified network, to disclose that relationship in its contract with the certified network.

(h) Requires that a contract described by Subsection (f), or a contract between a management contractor or third party to which the network delegates a function and a certified network, comply with the requirements of this chapter.

(i) Requires the health care provider, if a contract described by Subsection (f) complies with the requirements of this chapter, to be reimbursed in accordance with the terms of the contract. Requires the health care provider, if a contract described by Subsection (f) does not comply with the requirements of this chapter, to be reimbursed in accordance with the certified network's contracted rate.

(j) Prohibits a certified network, management contractor, or third party to which the network delegates a function from requiring a health care provider, as a condition for contracting with the certified network, to utilize as a health care provider agent the management contractor or the third party.

SECTION 2. Provides that, with respect to a contract between a health care provider and a network, management contractor, or third party to which the network delegates a function, the change in law made by this Act applies only to a contract entered into or renewed on or after the effective date of this Act. Provides that a contract entered into or renewed before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. Provides that, with respect to a contract between a certified network and a management contractor or third party to which the network delegates a function, the change in law made by this Act applies to a contract that is in effect on the effective date of this Act or entered into on or after that date.

SECTION 4. Effective date: September 1, 2013.