By: Klick

H.B. No. 3919

A BILL TO BE ENTITLED 1 AN ACT 2 relating to prior authorization from a health benefit plan issuer 3 to obtain health care services under the health benefit plan. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Section 32.072(a), Human Resources Code, is amended to read as follows: 6 7 (a) Notwithstanding any other law, a recipient of medical assistance is entitled to: 8 (1) select an 9 ophthalmologist or therapeutic optometrist who is a medical assistance provider to provide eye 10 health care services, other than surgery, that are within the scope 11 12 of: 13 (A) services provided under medical the 14 assistance program; and 15 the professional specialty practice (B) for 16 which the ophthalmologist or therapeutic optometrist is licensed and credentialed; and 17 18 (2) have direct access to the selected ophthalmologist or therapeutic optometrist for the provision of the nonsurgical 19 services without any requirement by the patient or ophthalmologist 20 or therapeutic optometrist to obtain: 21 22 (A) a referral from a primary care physician or 23 other gatekeeper or health care coordinator; or 24 (B) any other prior authorization or

1

H.B. No. 3919

1 precertification.

2 SECTION 2. Subchapter I, Chapter 843, Insurance Code, is 3 amended by adding Section 843.324 to read as follows:

Sec. 843.324. PRIOR AUTHORIZATION FOR COVERED BENEFIT
PROHIBITED. Notwithstanding any other law, a health maintenance
organization may not require a physician or provider to obtain
prior authorization from the health maintenance organization for
the health maintenance organization to pay for a covered benefit
provided to an enrollee.

10 SECTION 3. Chapter 1217, Insurance Code, is amended by 11 adding Section 1217.008 to read as follows:

12Sec. 1217.008. PRIOR AUTHORIZATION STUDY. (a)The13department shall conduct a study of:

14 (1) the use and effect of prior authorization in this 15 state from a health benefit plan issuer to pay for a covered benefit 16 for an enrollee; and

17 (2) the circumstances that give rise to prior
 18 authorization from a health benefit plan issuer.

19 (b) The commissioner shall implement the results of the 20 study by adopting rules regulating, limiting, or prohibiting prior 21 <u>authorization practices.</u>

22 SECTION 4. Subchapter B, Chapter 1301, Insurance Code, is 23 amended by adding Section 1301.070 to read as follows:

24 <u>Sec. 1301.070. PRIOR AUTHORIZATION FOR COVERED BENEFIT</u> 25 <u>PROHIBITED. Notwithstanding any other law, an insurer may not</u> 26 <u>require a physician or health care provider to obtain prior</u> 27 <u>authorization from the insurer for the insurer to pay for a covered</u>

H.B. No. 3919

1 benefit provided to an enrollee.

2 SECTION 5. The Texas Department of Insurance shall prepare 3 a report of the results of the study conducted under Section 4 1217.008, Insurance Code, as added by this Act. Not later than 5 December 1, 2016, the department shall provide the report to the 6 governor, lieutenant governor, speaker of the house of 7 representatives, and chairs of the house and senate standing 8 committees with primary jurisdiction over insurance.

9 SECTION 6. The changes in law made by this Act apply only to 10 a health benefit plan delivered, issued for delivery, or renewed on 11 or after January 1, 2016. A health benefit plan delivered, issued 12 for delivery, or renewed before January 1, 2016, is governed by the 13 law in effect immediately before the effective date of this Act, and 14 that law is continued in effect for that purpose.

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SECTION 7. This Act takes effect September 1, 2015.

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