

By: Muñoz, Jr.

H.B. No. 2257

A BILL TO BE ENTITLED

AN ACT

1
2 relating to prohibiting an insurer from directing a policyholder to
3 certain entities to provide certain medical or health care services
4 and supplies to the policyholder.

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

6 SECTION 1. Subchapter B, Chapter 541, Insurance Code, is
7 amended by adding Section 541.062 to read as follows:

8 Sec. 541.062. DIRECTING POLICYHOLDER TO CERTAIN ENTITIES
9 FOR HEALTH CARE SERVICES OR SUPPLIES. (a) In this section,
10 "insurer" means an entity authorized under this code or another
11 insurance law of this state to provide health insurance or health
12 benefits in this state.

13 (b) An insurer may not direct a policyholder to an entity or
14 a physician or health care provider working for or under contract
15 with an entity in which the insurer has an ownership interest or
16 with which the insurer is affiliated to provide to the policyholder
17 medical or health care services or supplies described by Subsection
18 (d).

19 (c) It is an unfair method of competition or an unfair or
20 deceptive act or practice in the business of insurance for an
21 insurer, directly or indirectly through a physician or health care
22 provider or otherwise, to violate Subsection (b).

23 (d) Medical or health care services and supplies under
24 Subsection (b) include:

- 1 (1) clinical laboratory services;
- 2 (2) physical therapy services;
- 3 (3) occupational therapy services;
- 4 (4) radiology services;
- 5 (5) radiation therapy services and supplies;
- 6 (6) durable medical equipment and supplies;
- 7 (7) prosthetics, orthotics, and prosthetic devices
8 and supplies;
- 9 (8) home health services; and
- 10 (9) outpatient prescription drugs.

11 (e) An insurer may not provide to a physician, health care
12 provider, or other person any inducement or incentive to direct a
13 policyholder to an entity in which the insurer has an ownership
14 interest or with which the insurer is affiliated to provide to the
15 policyholder medical or health care services or supplies described
16 by Subsection (d).

17 (f) Nothing in this section prohibits a physician or health
18 care provider from referring a policyholder at the policyholder's
19 request to a physician or health care provider.

20 (g) The commissioner shall adopt rules to implement this
21 section, including rules that prohibit specific acts or practices
22 that violate this section.

23 SECTION 2. Section 541.062(e), Insurance Code, as added by
24 this Act, applies only to a contract between an insurer and a
25 physician or health care provider that is entered into or renewed on
26 or after the effective date of this Act. A contract entered into or
27 renewed before the effective date of this Act is governed by the law

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1 as it existed immediately before the effective date of this Act, and
2 that law is continued in effect for that purpose.

3 SECTION 3. This Act takes effect September 1, 2017.