

By: Buckingham

S.B. No. 2030

A BILL TO BE ENTITLED

AN ACT

relating to the performance and appeal of utilization review by and under the direction of physicians.

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

SECTION 1. Section 4201.152, Insurance Code, is amended to read as follows:

Sec. 4201.152. UTILIZATION REVIEW UNDER DIRECTION OF PHYSICIAN. A utilization review agent shall conduct utilization review under the direction of a physician licensed to practice medicine in this ~~[by a]~~ state ~~[licensing agency in the United States]~~.

SECTION 2. Subchapter D, Chapter 4201, Insurance Code, is amended by adding Section 4201.1525 to read as follows:

Sec. 4201.1525. UTILIZATION REVIEW BY PHYSICIANS. (a) A utilization review agent that uses a physician to conduct utilization review may only use a physician licensed to practice medicine in this state.

(b) A payor that conducts utilization review on the payor's own behalf is subject to Subsection (a) as if the payor were a utilization review agent.

SECTION 3. Section 4201.356, Insurance Code, is amended to read as follows:

Sec. 4201.356. DECISION BY PHYSICIAN REQUIRED; SPECIALTY REVIEW. (a) The procedures for appealing an adverse determination

1 must provide that a physician licensed to practice medicine in this
2 state makes the decision on the appeal, except as provided by
3 Subsection (b).

4 (b) If not later than the 10th working day after the date an
5 appeal is denied the enrollee's health care provider states in
6 writing good cause for having a particular type of specialty
7 provider review the case, a health care provider licensed in this
8 state who is of the same or a similar specialty as the health care
9 provider who would typically manage the medical or dental
10 condition, procedure, or treatment under consideration for review
11 shall review the decision denying the appeal. The specialty review
12 must be completed within 15 working days of the date the health care
13 provider's request for specialty review is received.

14 SECTION 4. Section 4201.357(a), Insurance Code, is amended
15 to read as follows:

16 (a) The procedures for appealing an adverse determination
17 must include, in addition to the written appeal, a procedure for an
18 expedited appeal of a denial of emergency care or a denial of
19 continued hospitalization. That procedure must include a review
20 by a health care provider who:

21 (1) has not previously reviewed the case; ~~and~~

22 (2) is of the same or a similar specialty as the health
23 care provider who would typically manage the medical or dental
24 condition, procedure, or treatment under review in the appeal; and

25 (3) is licensed in this state.

26 SECTION 5. Section 4201.454, Insurance Code, is amended to
27 read as follows:

1 Sec. 4201.454. UTILIZATION REVIEW UNDER DIRECTION OF
2 PROVIDER OF SAME SPECIALTY. A specialty utilization review agent
3 shall conduct utilization review under the direction of a health
4 care provider who is of the same specialty as the agent and who is
5 licensed or otherwise authorized to provide the specialty health
6 care service in this [~~by a~~] state [~~licensing agency in the United~~
7 ~~States~~].

8 SECTION 6. Section 1305.351(d), Insurance Code, is amended
9 to read as follows:

10 (d) A [~~Notwithstanding Section 4201.152, a~~] utilization
11 review agent or an insurance carrier that uses doctors to perform
12 reviews of health care services provided under this chapter,
13 including utilization review, or peer reviews under Section
14 408.0231(g), Labor Code, may only use doctors licensed to practice
15 in this state.

16 SECTION 7. Section 408.023(h), Labor Code, is amended to
17 read as follows:

18 (h) A [~~Notwithstanding Section 4201.152, Insurance Code, a~~]
19 utilization review agent or an insurance carrier that uses doctors
20 to perform reviews of health care services provided under this
21 subtitle, including utilization review, may only use doctors
22 licensed to practice in this state.

23 SECTION 8. The change in law made by this Act applies only
24 to utilization review that was requested on or after the effective
25 date of this Act. Utilization review that was requested before the
26 effective date of this Act is governed by the law as it existed
27 immediately before the effective date of this Act, and that law is

1 continued in effect for that purpose.

2 SECTION 9. This Act takes effect September 1, 2017.