Amend CSSB 1105 (house committee report) as follows:

(1) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 533.005, Government Code, is amended by adding Subsection (e) to read as follows:

- (e) In addition to the requirements specified by Subsection (a), a contract described by that subsection must provide that if the managed care organization has an ownership interest in a health care provider in the organization's provider network, the organization:
- other health care provider of the same type in which the organization does not have an ownership interest unless the organization is able to demonstrate to the commission that the provider included in the provider network is the only provider located in an area that meets requirements established by the commission relating to the time and distance a recipient is expected to travel to receive services; and
- (2) may not give preference in authorizing referrals to the provider in which the organization has an ownership interest as compared to other providers of the same or similar services participating in the organization's provider network.
- (2) On page 13, line 1, strike "Section 533.00284" and substitute "Sections 533.00284 and 533.005(e)".
- (3) On page 13, line 2, strike "applies" and substitute "apply".
- (4) On page 13, line 10, strike "Section 533.00284" and substitute "Sections 533.00284 and 533.005(e)".