

By: Murphy

H.B. No. 4300

A BILL TO BE ENTITLED

AN ACT

relating to a settlement for the payment of certain medical benefits under the Texas Workers' Compensation Act.

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

SECTION 1. Section 408.005, Labor Code, is amended by amending Subsections (b) and (e) and adding Subsections (b-1) and (e-1) to read as follows:

(b) An employee's right to medical benefits as provided by Section 408.021 may not be limited or terminated except as provided by this section.

(b-1) Parties may reach a settlement of medical benefits if:

(1) the injured employee enters into a workers' compensation Medicare set-aside arrangement;

(2) the arrangement described by Subdivision (1) is approved by the federal Centers for Medicare and Medicaid Services, if the proposed amount of the settlement is eligible for review by that agency; and

(3) the settlement provides for:

(A) oversight of the arrangement described by Subdivision (1) by a corporate trustee or other professional administrator; and

(B) a reversionary interest on the employee's death allowing the unexpended funds to be shared by the injured employee's beneficiary and the payor.

1 (e) The commissioner shall approve a settlement if the
2 commissioner is satisfied that:

3 (1) the settlement accurately reflects the agreement
4 between the parties;

5 (2) the settlement reflects adherence to all
6 appropriate provisions of law and the rules [~~policies~~] of the
7 division; [~~and~~]

8 (3) under the law and facts, the settlement is in the
9 best interest of the injured employee;

10 (4) the settlement is entered into voluntarily by all
11 parties; and

12 (5) to the extent possible, all extent of injury
13 issues have been resolved [~~claimant~~].

14 (e-1) For purposes of Subsection (e)(3), the commissioner
15 may not find that a settlement of medical benefits under Subsection
16 (b-1) is in the best interest of the injured employee unless the
17 settlement is overseen by a corporate trustee or other professional
18 administrator.

19 SECTION 2. Section 408.021(d), Labor Code, is amended to
20 read as follows:

21 (d) Except as provided by Section 408.005, an [~~An~~] insurance
22 carrier's liability for medical benefits may not be limited or
23 terminated by agreement or settlement.

24 SECTION 3. The change in law made by this Act applies only
25 to a settlement entered into on or after the effective date of this
26 Act, in conjunction with a claim for workers' compensation
27 benefits, regardless of the date on which the compensable injury

1 that is the basis of the claim occurred.

2 SECTION 4. This Act takes effect September 1, 2019.