

## **BILL ANALYSIS**

Senate Research Center

H.B. 1354  
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Economic Development  
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Engrossed

### **DIGEST**

The Texas Medical Liability Insurance Underwriting Association (association) provides professional liability insurance to Texas health care providers. Presently, a health care provider aggrieved by an act, ruling, or decision of the association has the right to appeal to the association's board of directors (board) within 30 days of the act, ruling, or decision. After a hearing, the board issues a final decision. If the appeal fails, the insured may appeal further to the commissioner of insurance. The law does not require the board to give notice of the insured's right to appeal within the prescribed period, although it does require the board to give at least 10 days written notice of the time and place of a hearing to a person requesting one. Health care providers who are not aware that they have 30 days to appeal the board's decision may forfeit their right to appeal because failure to appeal within the period allotted bars the claim. H.B. 1354 would require notice of certain appeal rights to a person insured or applying for medical liability insurance provided through the association.

### **PURPOSE**

As proposed, H.B. 1354 requires the Texas Medical Liability Insurance Underwriting Association to provide notice of certain appeal rights to a person insured or applying for medical liability insurance.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 7, Article 21.49-3, Insurance Code, to provide that at the time a person is notified of certain aspects of an act, ruling, or decision of the Texas Medical Liability Insurance Underwriting Association (association), association, shall provide to the person written notice of the person's right to appeal under this subsection. requires the Commissioner of Insurance to provide to the person written notice of the person's right to appeal, at the time the person is notified of the decision of the commissioner. Makes conforming changes.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.