BILL ANALYSIS

Senate Research Center

H.B. 1778 By: Giddings (Armbrister) Economic Development 5/9/1999 Engrossed

DIGEST

Currently, the Texas Workers' Compensation Commission (commission) contracts for medical consultant services to help determine the appropriateness of medical care given to an injured employee when the commission lacks medical expertise. Relying on these entities is expensive and may lengthen the medical review process in a dispute. The commission develops and administers programs to contain or reduce medical and legal costs and to ensure overall system efficiency. H.B. 1778 would set forth provisions for the medical review of health care provided under the workers' compensation insurance system.

PURPOSE

As proposed, H.B. 1778 sets forth provisions for the medical review of health care provided under the worker's compensation insurance system.

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 413.051, Labor Code, to authorize the Texas Workers' Compensation Commission (commission) to contract with a health care provider professional review organization, health care provider, or other entity. Authorizes the commission, for purposes of review and resolution of a dispute as to compliance with the medical policies or fee guidelines, to contract with, rather only with, a health care provider professional review organization, health care provider, or other entity. Authorizes the commission to contract with a health care provider professional review organization, health care provider, or other entity for certain medical consultant services. Requires the commission to establish standards for contracts under this section.

SECTION 2. Amends Chapter 413E, by adding Section 413.0515, as follows:

Sec. 413.0515. MEDICAL ADVISOR. Sets forth the certain tasks a medical advisor will provide to the commission once employed as required. Authorizes a medical advisor to establish a panel of health care providers to assist the medical advisor. Provides that a person, including an entity, that performs or assists in the performance of a function for the division of medical review of the commission (division) has the same immunity from liability as a member of the commission under Section 402.010. Provides that the person's actions do not constitute utilization review and are not subject to Article 21.58A, Insurance Code. Requires a medical advisor to be a doctor as that term is defined by Section 401.011.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.