

BILL ANALYSIS

Senate Research Center
76R10301 PB-F

C.S.S.B. 1530
By: Carona
Economic Development
3/31/1999
Committee Report (Substituted)

DIGEST

Currently, the Insurance Code considers coercion as certain actions by a health insurance plan. An act currently not considered coercive by the Code is when a plan requires a health care provider, as a condition of its contract to participate in a health benefit plan or product, to participate also in other plans or products. C.S.S.B. 1530 would consider the acts to be coercion, as prohibited by Article 21.21, Insurance Code.

PURPOSE

As proposed, C.S.S.B. 1530 specifies certain acts by a health care provider as coercion.

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 Chapter 21B, Insurance Code, by adding Article 21.20-3, as follows:

Art. 21.30-3. COERCION BY CERTAIN HEALTH PLANS PROHIBITED. Provides that any entity subject to the Insurance Code commits coercion for purposes of Section 4, Article 21.21, Insurance Code, when the entity requires a health care provider, as a condition of participation in a health benefit plan or product of the entity, to participate in any of the entity's other plans or products.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Deletes the proposed amendment to Section 4, Article 21.21, Insurance Code.

Amends Chapter 21B, Insurance Code, by adding Article 21.30-4, to establish that certain act an entity subject to the Insurance Code commits a coercive act.

SECTION 2.

Adds a provision to make application of this Act prospective.

SECTION 3-4.

Redesignated from SECTIONS 2-3.