

BILL ANALYSIS

Senate Research Center

H.B. 2831
By: Smithee (Sibley)
Business & Commerce
5/9/2001
Engrossed

DIGEST AND PURPOSE

Current law does not require a managed care entity to provide a health care provider with a description of the standards used by the managed care entity to determine the amount of reimbursement that an out-of-network provider may receive for goods and services provided to an enrollee in the entity's managed care plan. H.B. 2831 requires a managed care entity to provide, upon request of a health care provider, a written description of the reimbursement factors.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 (Section 3, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 21E, Insurance Code, by adding Article 21.60, as follows:

Art. 21.60. AVAILABILITY OF CERTAIN REIMBURSEMENT GUIDELINES USED BY MANAGED CARE ENTITY

Sec 1. DEFINITIONS. Defines “health care provider,” “managed care entity,” and “managed care plan.”

Sec. 2. PROVISION OF INFORMATION REQUIRED. (a) Requires a managed care entity, on the written request of an out-of-network health care provider, to provide the provider with a written description of the factors considered by the managed care entity in determining the amount of reimbursement that the out-of-network provider may receive for goods or services provided to a person enrolled in or insured under the entity's managed care plan.

(b) Provides that this article does not require a managed care entity to disclose proprietary information that a contract between the managed care entity and a vendor who supplies payment or statistical data to the managed care entity prohibits from disclosure.

(c) Prohibits a contract between the managed care entity and a vendor who supplies payment or statistical data to the managed care entity from prohibiting the managed care entity from disclosing under this section certain information.

(d) Requires a managed care entity that denies a request for information under Subsection (b) of this section to send a copy of the request and the information requested to the department for review.

Sec. 3. RULES. Requires the commissioner of insurance (commissioner) to adopt rules as necessary to implement this article.

SECTION 2. EFFECTIVE DATE: September 1, 2001.