

BILL ANALYSIS

Senate Research Center
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S.B. 1312
By: Van de Putte
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DIGEST AND PURPOSE

Current law prohibits discrimination in the payment and reimbursement schedule or provisions of a health insurance policy based on whether the practitioner is a podiatrist or other type of physician. However, some insurers allegedly use fee schedules that favor physicians and discriminate against podiatrists. Additionally, newly licensed practitioners joining an established practice of a preferred provider are at times denied participating status by an insurer. As proposed, S.B. 1312 clarifies that the discrimination is prohibited, and prohibits insurers from withholding preferred provider designation from qualified practitioners who join an established professional practice.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3(b), Article 3.70-3C, Insurance Code, by adding Subdivision (5), to prohibit an insurer from withholding a designation to a practitioner described by Subsection (g) of this section who complies with the terms and conditions established by the insurer.

SECTION 2. Amends Section 3, Article 3.70-3C, Insurance Code, by adding Subsections (p) and (q), as follows:

(p) Requires an insurer to pay a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners (TBPME) for a covered service the same amount and in the same manner as a physician who renders the same covered service.

(q) Prohibits an insurer from withholding the designation of preferred provider to a practitioner who joins the professional practice of a preferred provider, applies to the insurer for designation as a preferred provider, and complies with the terms and conditions of eligibility to be a preferred provider.

SECTION 3. Amends Section 843.303, Insurance Code, as effective June 1, 2003, by adding Subsection (c), to prohibit a health maintenance organization from denying a contract to a physician or provider described by Section 843.320.

SECTION 4. Amends Subchapter I, Chapter 843, Insurance Code, as effective June 1, 2003, by adding Sections 843.319 and 843.320, as follows:

Sec. 843.319. **PODIATRIST SERVICES.** Requires a health maintenance organization to pay a podiatrist licensed by TBPME for a covered service the same amount and in the same manner as a physician who renders the same covered service.

Sec. 843.320. **CERTAIN REQUIRED CONTRACTS.** Prohibits a health maintenance organization from denying a contract to a physician or provider who joins the professional practice of a contracting physician or provider, satisfies the application procedures of the health maintenance organization, and meets the qualification

requirements for contracting with the health maintenance organization.

SECTION 5. Makes application of Section 3(p), Article 3.70-3C, and Section 843.319, Insurance Code, as added by this Act, prospective to September 1, 2003.

SECTION 6. Makes application of Section 3(q), Article 3.70-3C, and Section 843.320, Insurance Code, as added by this Act, prospective to September 1, 2003.

SECTION 7. Effective date: September 1, 2003.