

## **BILL ANALYSIS**

Senate Research Center  
86R27846 SMT-D

C.S.S.B. 1739  
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Business & Commerce  
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Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

#### Background

In Texas, some health insurers pay for an insurance claim if treatment is provided by a physician or physical therapist, but will deny pay if the same treatment is received by a chiropractor. This occurs even if treatment is within chiropractic scope and the chiropractor is an in-network provider. Due to the insurance company's denial to pay, patients are forced to pay out of pocket, initially believing they were covered, or chiropractors are forced to provide uncompensated care. Both are detrimental to the person receiving treatment. Despite existing law prohibiting some types of insurers from discriminating against chiropractic care, some insurance companies ignore the prohibition. This results in chiropractors being unable to file a lawsuit for payment.

#### Solution

This bill prevents discrimination against chiropractors by prohibiting health insurers, including preferred provider organizations, from denying payment to chiropractors for services they are legally authorized to pay if the insurer were to pay another provider for the same services. With this, chiropractors are provided with a means of enforcing the aforementioned prohibition when discriminated against by allowing them to file a lawsuit to receive their due payment, attorney's fees, and court costs. (Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 1739 amends current law relating to payment for care provided by a chiropractor under certain health benefit plans; and provides administrative penalties.

### **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 Subchapter I, Chapter 843, Insurance Code, by adding Section 843.3042, as follows:

Sec. 843.3042. **CHIROPRACTIC SERVICES.** (a) Prohibits a health maintenance organization offering a health care plan that covers a service that is within the scope of a chiropractor's license from refusing to provide reimbursement to an in-network chiropractor for the performance of the covered service solely because the service is provided by a chiropractor.

(b) Provides that this section does not require a health maintenance organization to cover a particular health care service.

(c) Provides that this section does not affect the right of a health maintenance organization to determine whether a health care service is medically necessary.

(d) Provides that a health maintenance organization that violates this section is subject to an administrative penalty as provided by Chapter 84 (Administrative

Penalties) of not more than \$1,000 for each claim that remains unpaid in violation of this section. Provides that each day the violation continues constitutes a separate violation.

SECTION 2. Amends Subchapter B, Chapter 1301, Insurance Code, by adding Section 1301.0516, as follows:

Sec. 1301.0516. CHIROPRACTIC SERVICES. (a) Prohibits an insurer offering a preferred provider benefit plan that covers a service that is within the scope of a chiropractor's license from refusing to provide reimbursement for the performance of the covered service solely because the service is provided by a chiropractor.

(b) Provides that this section does not require an insurer to cover a particular medical or health care service.

(c) Provides that this section does not affect the right of an insurer to determine whether a medical or health care service is medically necessary.

(d) Provides that an insurer that violates this section is subject to an administrative penalty as provided by Chapter 84 of not more than \$1,000 for each claim that remains unpaid in violation of this section. Provides that each day a violation continues constitutes a separate violation.

SECTION 3. Amends Section 1451.109, Insurance Code, by adding Subsection (e) to provide that a health insurance policy issuer that violates this section (Selection of Chiropractor) is subject to an administrative penalty as provided by Chapter 84 of not more than \$1,000 for each claim that remains unpaid in violation of this section. Provides that each day the violation continues constitutes a separate violation.

SECTION 4. Makes application of this Act prospective to January 1, 2020.

SECTION 5. Effective date: September 1, 2019.