

BILL ANALYSIS

Senate Research Center

H.B. 812
By: Janek (Sibley)
Economic Development
5-12-97
Engrossed

DIGEST

Currently, in contracts between a health maintenance organization (HMO) and the health care provider, the provider is limited to the amount of information the provider can give to the provider's patient regarding treatment and health care coverage provided by the HMO. These "gag clauses" prevent health professionals from exercising the full range of possible necessary care. This bill would prohibit HMOs from limiting a physician's or provider's communication with an enrollee by eliminating "gag clauses."

PURPOSE

As proposed, H.B. 812 prohibits Health Maintenance Organizations from limiting a physician's or provider's communications with an enrollee by eliminating "gag clauses."

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 20A, V.T.C.S. (Texas Health Maintenance Organization Act), by adding Section 18A, as follows:

Sec. 18A. PHYSICIAN, DENTIST, OR PROVIDER COMMUNICATION. Prohibits a health maintenance organization from restricting a physician's, dentist's, or provider's ability to communicate with an enrollee with respect to certain information. Provides that a contract provision that violates this section is void.

SECTION 2. Amends Chapter 241E, Health and Safety Code, by adding Section 241.1015, as follows:

Sec. 241.1015. PHYSICIAN COMMUNICATION AND CONTRACTS. Prohibits a hospital from restricting a physician's ability to communicate with a patient with respect to certain information. Prohibits a hospital from refusing or failing to grant or renew staff privileges, or from conditioning staff privileges, based in whole or in part on the fact that the physician or a partner, associate, or employee of the physician is providing medical or health care services at a different hospital or hospital system. Prohibits a hospital from contracting to limit a physician's participation or staff privileges or the participation or staff privileges of a partner, associate, or employee of the physician at a different hospital or hospital system. Provides that a contract provision that violates this section is void. Defines "health care plan."

SECTION 3. Effective date: September 1, 1997.
Makes application of this Act prospective.

SECTION 4. Emergency clause.