

BILL ANALYSIS

Senate Research Center

C.S.S.B. 781
By: Madla
Economic Development
4/15/1999
Committee Report (Substituted)

DIGEST

Currently, podiatric health care is often provided to enrollees of health insurance plans by podiatrists who contract with health maintenance organizations (HMOs) and preferred provider organizations (PPOs). However, many of the provider contracts do not disclose all necessary information or provide protections for the provider. This bill would require certain HMO and PPO contracts to include certain safeguards for the providers.

PURPOSE

As proposed, C.S.S.B. 781 provides regulations on contracts between certain health care providers and health care plans.

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 Section 3, Article 3.70-3C, Insurance Code, by adding Subsection (n), to require a preferred provider contract between an insurer and a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners to provide that the podiatrist may request, and the insurer shall provide by a certain date a copy of the coding guidelines and payment schedules applicable to the compensation that the podiatrist will receive under the contract for services; the insurer may not unilaterally make material retroactive revisions to the coding guidelines and payment schedules; and the podiatrist may furnish x-rays and non-prefabricated orthotics covered by the health insurance policy.

SECTION 2. Amends Section 18A, Article 20A.18A, Insurance Code (Texas Health Maintenance Organization Act), by adding Subsection (j), to require a contract between a health maintenance organization and a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners to provide that the podiatrist may request, and the insurer shall provide by a certain date a copy of the coding guidelines and payment schedules applicable to the compensation that the podiatrist will receive under the contract for services; the insurer may not unilaterally make material retroactive revisions to the coding guidelines and payment schedules; and the podiatrist may furnish x-rays and non-prefabricated orthotics covered by the health insurance policy.

SECTION 3. Effective date: September 1, 1999.
Makes application of this Act prospective.

SECTION 4. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 3, Article 3.70-3C, Insurance Code, by deleting proposed Subsections (n)-(z) regarding requirements for preferred provider contracts, and adding a new Subsection (n), to require a preferred provider contract between an insurer and a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners to provide that the podiatrist may request, and the insurer shall provide by a certain date a copy of the coding guidelines and payment schedules applicable to the compensation that the podiatrist will receive under the contract for services; the

insurer may not unilaterally make material retroactive revisions to the coding guidelines and payment schedules; and the podiatrist may furnish x-rays and non-prefabricated orthotics covered by the health insurance policy.

SECTION 2.

Amends Section 18A, Article 20A.18A, Insurance Code, by deleting proposed Subsections (j)-(v) regarding preferred provider contracts, and adding a new Subsection (j), to require a contract between a health maintenance organization and a podiatrist licensed by the Texas State Board of Podiatric Medical Examiners to provide that the podiatrist may request, and the insurer shall provide by a certain date a copy of the coding guidelines and payment schedules applicable to the compensation that the podiatrist will receive under the contract for services; the insurer may not unilaterally make material retroactive revisions to the coding guidelines and payment schedules; and the podiatrist may furnish x-rays and non-prefabricated orthotics covered by the health insurance policy.

SECTION 3.

Effective date: September 1, 1999.
Makes application of this Act prospective.
Redesignates SECTION 3 as SECTION 4.