

BILL ANALYSIS

Senate Research Center
82R7911 JSC-F

S.B. 800
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State Affairs
3/9/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Division of Workers' Compensation (division) of the Texas Department of Insurance is required by statute to collect a variety of data, including claims information, benefit payments, medical treatment information, and workers' compensation insurance coverage information. Pursuant to the Labor Code, the division may contract with a data collection agent if deemed cost-effective; however, the Labor Code currently does not allow insurance carriers to pay data collection fees directly to a data collection agent.

S.B. 800 aligns the qualification requirements of data collection agents and the provisions regarding the payment of data collection agent fees in the Labor Code with similar provisions found in Sections 38.203 (Qualifications of Statistical Agent), 38.206 (Fees), and 38.207 (Rules), Insurance Code.

The bill exempts governmental entities from paying these fees, just as governmental entities are currently exempted from paying workers' compensation maintenance taxes. Additionally, the division will seek input from system participants through the rulemaking process.

As proposed, S.B. 800 amends current law relating to a workers' compensation data collection agent designated by the commissioner of workers' compensation.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of workers' compensation in SECTION 1 (Section 401.0245, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 401, Labor Code, by adding Section 401.0245, as follows:

Sec. 401.0245. DATA COLLECTION AGENT. (a) Authorizes the commissioner of workers' compensation (commissioner) to designate and contract with a data collection agent to fulfill the data collection requirements of this subtitle (Texas Workers' Compensation Act).

(b) Requires an organization, to qualify as a data collection agent, to demonstrate at least five years of experience in data collection, data maintenance, data quality control, accounting, and related areas.

(c) Authorizes the division of workers' compensation on behalf of a designated data collection agent to assess and collect from a workers' compensation insurance carrier other than a governmental entity any fees necessary for the agent to recover the necessary and reasonable costs of collecting data from that carrier.

(d) Authorizes the commissioner to adopt rules necessary to accomplish the purposes of this section.

SECTION 2. Repealer: Section 401.024(c) (authorizing the commissioner to designate and contract with a data collection agent to fulfill the data collection requirements of this subtitle), Labor Code.

SECTION 3. Effective date: upon passage or September 1, 2011.