

1 AN ACT

2 relating to professional licensing requirements for independent  
3 review of certain medical decisions regarding workers'  
4 compensation claims.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 401.011, Labor Code, is amended by  
7 adding Subdivision (25-a) to read as follows:

8 (25-a) "Independent review organization" has the same  
9 meaning as in Section 1305.004(a)(11), Insurance Code.

10 SECTION 2. Section 413.031, Labor Code, is amended by  
11 amending Subsections (d) and (e) and adding Subsection (e-2) to  
12 read as follows:

13 (d) A review of the medical necessity of a health care  
14 service requiring preauthorization under Section 413.014 or  
15 commissioner rules under that section or Section 413.011(g) shall  
16 be conducted by an independent review organization under Chapter  
17 4202 [Article 21.58C], Insurance Code, in the same manner as  
18 reviews of utilization review decisions by health maintenance  
19 organizations. It is a defense for the insurance carrier if the  
20 carrier timely complies with the decision of the independent review  
21 organization.

22 (e) Except as provided by Subsections (d), (f), and (m), a  
23 review of the medical necessity of a health care service provided  
24 under this chapter or Chapter 408 shall be conducted by an

1 independent review organization under Chapter 4202 [~~Article~~  
2 ~~21.58C~~], Insurance Code, in the same manner as reviews of  
3 utilization review decisions by health maintenance organizations.  
4 It is a defense for the insurance carrier if the carrier timely  
5 complies with the decision of the independent review organization.

6 (e-2) Notwithstanding Section 4202.002, Insurance Code, an  
7 independent review organization that uses doctors to perform  
8 reviews of health care services provided under this title may only  
9 use doctors licensed to practice in this state.

10 SECTION 3. Sections 1305.355(a) and (d), Insurance Code,  
11 are amended to read as follows:

12 (a) The utilization review agent shall:

13 (1) permit the employee or person acting on behalf of  
14 the employee and the employee's requesting provider whose  
15 reconsideration of an adverse determination is denied to seek  
16 review of that determination within the period prescribed by  
17 Subsection (b) by an independent review organization assigned in  
18 accordance with Chapter 4202 [~~Article 21.58C~~] and commissioner  
19 rules; and

20 (2) provide to the appropriate independent review  
21 organization, not later than the third business day after the date  
22 the utilization review agent receives notification of the  
23 assignment of the request to an independent review organization:

24 (A) any medical records of the employee that are  
25 relevant to the review;

26 (B) any documents used by the utilization review  
27 agent in making the determination;

1 (C) the response letter described by Section  
2 1305.354(a)(4);

3 (D) any documentation and written information  
4 submitted in support of the request for reconsideration; and

5 (E) a list of the providers who provided care to  
6 the employee and who may have medical records relevant to the  
7 review.

8 (d) The department shall assign the review request to an  
9 independent review organization. Notwithstanding Section  
10 4202.002, an independent review organization that uses doctors to  
11 perform reviews of health care services under this chapter may only  
12 use doctors licensed to practice in this state.

13 SECTION 4. The change in law made by this Act applies only  
14 to a review of a health care service provided under a claim for  
15 workers' compensation benefits that is conducted on or after the  
16 effective date of this Act. A review that is conducted before that  
17 date is governed by the law in effect on the date that the review was  
18 conducted, and the former law is continued in effect for that  
19 purpose.

20 SECTION 5. This Act takes effect September 1, 2007.

David Dewhurst

President of the Senate

Jim Caddick

Speaker of the House

I certify that H.B. No. 1003 was passed by the House on March 22, 2007, by the following vote: Yeas 147, Nays 0, 1 present, not voting.

Robert Hamey  
Chief Clerk of the House

I certify that H.B. No. 1003 was passed by the Senate on May 3, 2007, by the following vote: Yeas 26, Nays 5.

Latsy Spaw  
Secretary of the Senate

APPROVED: 18 MAY 07

Date

RICK PERRY

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
5:00 PM O'CLOCK

MAY 18 2007

Roger Winnie