

AN ACT

relating to certain health care treatment plans and pharmaceutical services and to medical necessity reviews.

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

SECTION 1. Subsection (e), Section 413.014, Labor Code, is amended to read as follows:

(e) The commission may not prohibit an insurance carrier and a health care provider from voluntarily discussing health care treatment and treatment plans and pharmaceutical services, either prospectively or concurrently, and may not prohibit an insurance carrier from certifying or agreeing to pay for health care consistent with those agreements. The insurance carrier is liable for health care treatment and treatment plans and pharmaceutical services that are voluntarily preauthorized and may not dispute the certified or agreed-on preauthorized health care treatment and treatment plans and pharmaceutical services at a later date.

SECTION 2. Section 413.031, Labor Code, is amended by adding Subsection (e-1) to read as follows:

(e-1) In performing a review of medical necessity under Subsection (d) or (e), the independent review organization shall consider the commission's health care reimbursement policies and guidelines adopted under Section 413.011 if those policies and guidelines are raised by one of the parties to the dispute. If the independent review organization's decision is contrary to the

1 commission's policies or guidelines adopted under Section 413.011,  
2 the independent review organization must indicate in the decision  
3 the specific basis for its divergence in the review of medical  
4 necessity. This subsection does not prohibit an independent review  
5 organization from considering the payment policies adopted under  
6 Section 413.011 in any dispute, regardless of whether those  
7 policies are raised by a party to the dispute.

8 SECTION 3. This Act takes effect September 1, 2003, and  
9 applies to requests for voluntary precertification occurring on, or  
10 after, the effective date.

David Newkirk  
President of the Senate

Jim Cordick  
Speaker of the House

I hereby certify that S.B. No. 1804 passed the Senate on May 8, 2003, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 31, 2003, by a viva-voce vote. \_\_\_\_\_

Letsy Saw  
Secretary of the Senate

I hereby certify that S.B. No. 1804 passed the House, with amendments, on May 28, 2003, by a non-record vote. \_\_\_\_\_

Robert Haney  
Chief Clerk of the House

Approved:

20 JUN '03  
Date

Rick Perry  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
9:30 PM O'CLOCK

Ann Shea  
Secretary of State