

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/25/2015
Date

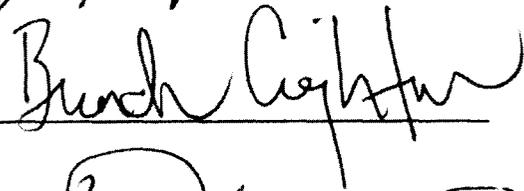
Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

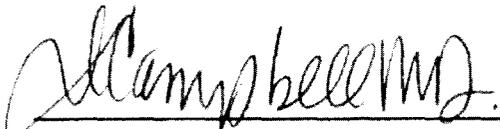
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on SB 684 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

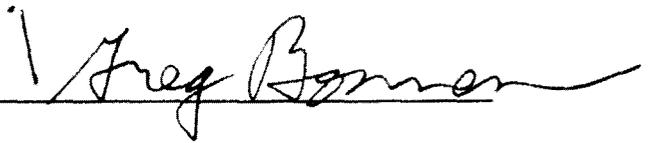








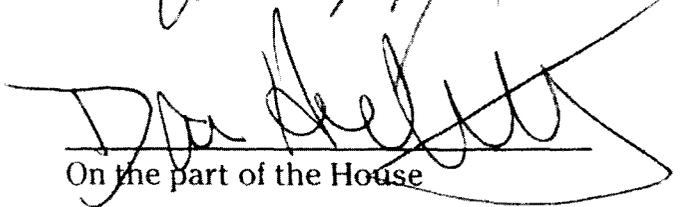

On the part of the Senate










On the part of the House

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

S.B. No. 684

A BILL TO BE ENTITLED

AN ACT

relating to the relationship of certain optometrists, therapeutic optometrists, and ophthalmologists with certain managed care plans, including preferred provider plans.

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

SECTION 1. Section 1301.051(e), Insurance Code, is amended to read as follows:

(e) An insurer may not withhold a designation to:

(1) a podiatrist described by Section 1301.0521; or

(2) an optometrist, therapeutic optometrist, or ophthalmologist described by Section 1301.0522.

SECTION 2. Subchapter B, Chapter 1301, Insurance Code, is amended by adding Section 1301.0522 to read as follows:

Sec. 1301.0522. DESIGNATION OF CERTAIN OPTOMETRISTS, THERAPEUTIC OPTOMETRISTS, AND OPHTHALMOLOGISTS AS PREFERRED PROVIDERS. (a) Notwithstanding Section 1301.051, an insurer may not withhold the designation of preferred provider to an optometrist or therapeutic optometrist licensed by the Texas Optometry Board or an ophthalmologist licensed by the Texas Medical Board who:

(1) joins the professional practice of a contracted preferred provider;

(2) applies to the insurer for designation as a preferred provider; and

1 (3) complies with the terms and conditions of
2 eligibility to be a preferred provider.

3 (b) An optometrist, therapeutic optometrist, or
4 ophthalmologist designated as a preferred provider under this
5 section must comply with the terms of the preferred provider
6 contract used by the insurer or the insurer's network provider.

7 SECTION 3. Subchapter D, Chapter 1451, Insurance Code, is
8 amended by adding Section 1451.156 to read as follows:

9 Sec. 1451.156. PROHIBITED CONDUCT. (a) A managed care
10 plan, as described by Section 1451.152(a), may not directly or
11 indirectly:

12 (1) control or attempt to control the professional
13 judgment, manner of practice, or practice of an optometrist or
14 therapeutic optometrist;

15 (2) employ an optometrist or therapeutic optometrist
16 to provide a vision care product or service as defined by Section
17 1451.155;

18 (3) pay an optometrist or therapeutic optometrist for
19 a service not provided;

20 (4) restrict or limit an optometrist's or therapeutic
21 optometrist's choice of sources or suppliers of services or
22 materials, including optical laboratories used by the optometrist
23 or therapeutic optometrist to provide services or materials to a
24 patient; or

25 (5) require an optometrist or therapeutic optometrist
26 to disclose a patient's confidential or protected health
27 information unless the disclosure is authorized by the patient or

1 permitted without authorization under the Health Insurance
2 Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d
3 et seq.) or under Section 602.053.

4 (b) Subsection (a)(2) does not prohibit a managed care plan
5 from employing an optometrist or therapeutic optometrist for
6 utilization review or for operations of the managed care plan.

7 (c) Subsection (a)(3) does not prohibit the use of
8 capitation as a method of payment.

9 (d) Subsection (a)(4) does not restrict or limit a managed
10 care plan's determination of specific amounts of coverage or
11 reimbursement for the use of network or out-of-network suppliers or
12 laboratories.

13 (e) An optometrist or therapeutic optometrist must disclose
14 to a patient any business interest the optometrist or therapeutic
15 optometrist has in an out-of-network supplier or manufacturer to
16 which the optometrist or therapeutic optometrist refers the
17 patient.

18 (f) This section shall be liberally construed to prevent
19 managed care plans from controlling or attempting to control the
20 professional judgment, manner of practice, or practice of an
21 optometrist or therapeutic optometrist.

22 SECTION 4. (a) Section 1301.0522, Insurance Code, as added
23 by this Act, applies only to a contract between a preferred provider
24 and an insurer that is entered into or renewed on or after September
25 1, 2015. A contract between a preferred provider and an insurer
26 that is entered into or renewed before September 1, 2015, is
27 governed by the law as it existed immediately before the effective

1 date of this Act, and that law is continued in effect for that
2 purpose.

3 (b) Section 1451.156, Insurance Code, as added by this Act,
4 applies only to a contract between a managed care plan issuer and an
5 optometrist or therapeutic optometrist entered into or renewed, or
6 a managed care plan delivered, issued for delivery, or renewed, on
7 or after September 1, 2015. A contract entered into or renewed, or
8 a plan delivered, issued for delivery, or renewed, before September
9 1, 2015, is governed by the law as it existed immediately before
10 that date, and that law is continued in effect for that purpose.

11 SECTION 5. This Act takes effect September 1, 2015.

Senate Bill 684
Conference Committee Report
Section-by-Section Analysis

SENATE VERSION

SECTION 1. Section 1301.051(e), Insurance Code, is amended..

SECTION 2. Subchapter B, Chapter 1301, Insurance Code, is amended.

No equivalent provision.

HOUSE VERSION (IE)

SECTION 1. Same as Senate version.

SECTION 2. Same as Senate version.

SECTION __. Subchapter D, Chapter 1451, Insurance Code, is amended by adding Section 1451.156 to read as follows:
Sec. 1451.156. PROHIBITED CONDUCT. (a) A managed care plan may not directly or indirectly:

(1) control or attempt to control the professional judgment, manner of practice, or practice of an optometrist or therapeutic optometrist;

(2) employ an optometrist or therapeutic optometrist *if part of the optometrist's or therapeutic optometrist's duties involves the practice of optometry or therapeutic optometry*;

(3) pay an optometrist or therapeutic optometrist for a service not provided;

(4) restrict or limit an optometrist's or therapeutic optometrist's choice of sources or suppliers of services or materials, including optical laboratories used by the optometrist or therapeutic optometrist to provide services or materials to a patient; or

(5) require an optometrist or therapeutic optometrist to disclose a patient's confidential or protected health information unless the disclosure is authorized by the patient or permitted without authorization under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) or under Section 602.053.

CONFERENCE

SECTION 1. Same as Senate version.

SECTION 2. Same as Senate version.

SECTION 3. Subchapter D, Chapter 1451, Insurance Code, is amended by adding Section 1451.156 to read as follows:
Sec. 1451.156. PROHIBITED CONDUCT. (a) A managed care plan, *as described by Section 1451.152(a)*, may not directly or indirectly:

(1) control or attempt to control the professional judgment, manner of practice, or practice of an optometrist or therapeutic optometrist;

(2) employ an optometrist or therapeutic optometrist *to provide a vision care product or service as defined by Section 1451.155*;

(3) pay an optometrist or therapeutic optometrist for a service not provided;

(4) restrict or limit an optometrist's or therapeutic optometrist's choice of sources or suppliers of services or materials, including optical laboratories used by the optometrist or therapeutic optometrist to provide services or materials to a patient; or

(5) require an optometrist or therapeutic optometrist to disclose a patient's confidential or protected health information unless the disclosure is authorized by the patient or permitted without authorization under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) or under Section 602.053.

Senate Bill 684
Conference Committee Report
Section-by-Section Analysis

SENATE VERSION

HOUSE VERSION (IE)

CONFERENCE

(b) Subsection (a)(3) does not prohibit the use of capitation as a method of payment.

(c) Subsection (a)(4) does not restrict or limit a managed care plan's determination of specific amounts of coverage or reimbursement for the use of network or out-of-network suppliers or laboratories.

(d) This section shall be liberally construed to prevent managed care plans from controlling or attempting to control the professional judgment, manner of practice, or practice of an optometrist or therapeutic optometrist. [FA1]

SECTION 3. Section 1301.0522, Insurance Code, as added by this Act, applies only to a contract between a preferred provider and an insurer that is entered into or renewed on or after September 1, 2015. A contract between a preferred provider and an insurer that is entered into or renewed before September 1, 2015, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

No equivalent provision.

SECTION 3. Same as Senate version.

SECTION __. Section 1451.156, Insurance Code, as added by this Act, applies only to a contract between a managed care

(b) Subsection (a)(2) does not prohibit a managed care plan from employing an optometrist or therapeutic optometrist for utilization review or for operations of the managed care plan.

(c) Subsection (a)(3) does not prohibit the use of capitation as a method of payment.

(d) Subsection (a)(4) does not restrict or limit a managed care plan's determination of specific amounts of coverage or reimbursement for the use of network or out-of-network suppliers or laboratories.

(e) An optometrist or therapeutic optometrist must disclose to a patient any business interest the optometrist or therapeutic optometrist has in an out-of-network supplier or manufacturer to which the optometrist or therapeutic optometrist refers the patient.

(f) This section shall be liberally construed to prevent managed care plans from controlling or attempting to control the professional judgment, manner of practice, or practice of an optometrist or therapeutic optometrist.

SECTION 4. (a) Same as Senate version.

SECTION 4. (b) Same as House version.

Senate Bill 684
Conference Committee Report
Section-by-Section Analysis

SENATE VERSION

HOUSE VERSION (IE)

CONFERENCE

plan issuer and an optometrist or therapeutic optometrist entered into or renewed, or a managed care plan delivered, issued for delivery, or renewed, on or after September 1, 2015. A contract entered into or renewed, or a plan delivered, issued for delivery, or renewed, before September 1, 2015, is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose. [FA1]

SECTION 4. This Act takes effect September 1, 2015.

SECTION 4. Same as Senate version.

SECTION 5. Same as Senate version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 26, 2015

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB684** by Taylor, Larry (Relating to the relationship of certain optometrists, therapeutic optometrists, and ophthalmologists with certain managed care plans, including preferred provider plans.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the relationship of certain optometrists, therapeutic optometrists, and ophthalmologists with certain managed care plans, including preferred provider plans.

Based on information provided by the Texas Department of Insurance, Texas Medical Board, and Optometry Board, it is assumed that all duties and responsibilities necessary to implement the provisions of the bill could be accomplished within existing staff and resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance, 514 Optometry Board, 503 Texas Medical Board

LBB Staff: UP, CL, ER, AG

**Certification of Compliance with
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order under Rule 13.

I certify that a copy of the conference committee report on SB684 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

Alex Bonner
(name)

5-25-15
(date)