

BILL ANALYSIS

Senate Research Center
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S.B. 8
By: Cain
Health & Human Services
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DIGEST AND PURPOSE

Currently, Texas Health Maintenance Organizations (HMOs) and insurance companies routinely reimburse doctors and hospitals far less for women-specific surgeries and procedures than for other equivalent procedures. As a result, women in Texas are finding it difficult to get needed medical care. As proposed, S.B. 8 requires HMOs and insurance companies to pay doctors and hospitals equally for women-specific surgeries as well as for other equivalent procedures.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Board of Health, Texas Board of Human Services, and the Texas Department of Insurance in SECTION 8 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. SHORT TITLE. Authorizes this Act to be called the Omnibus Women's Equal Health Care Act.

SECTION 2. PURPOSE. Sets forth the purpose of this Act.

SECTION 3. DEFINITIONS. Defines "equal pay for equal work," "provider," and "third party payor."

SECTION 4. EQUAL PAY FOR EQUAL WORK. Requires a third party payor to pay a provider of women's health services equal pay for equal work.

SECTION 5. AMENDMENT. Amends Article 21.21-8, Insurance Code, as follows:

Sec. 1. New heading: SCOPE. Requires this article to apply to the assumption of risk on behalf of a person engaged in the business of insurance. Redefines "person."

Sec. 2. New heading: PROHIBITION. Requires that no person engage in any practice of unfair discrimination as defined in this article, or that is determined under this article to be a practice of unfair discrimination, in the business of insurance. Deletes existing text relating to unfair discrimination between individuals of the same class.

Sec. 3. New heading: DEFINITION. Defines "unfair discrimination."

Sec. 4. New heading: SUIT. Authorizes a person who has sustained economic damages as a result of another's engaging in unfair discrimination, as defined by Section 3, rather than Section 2, of this article, including a health care provider who has suffered injury in fact because of the unfair discrimination, to maintain an action against the person or persons engaging in such acts or practices in a district court in Travis County, Texas, and not elsewhere.

Sec. 5. Redesignates current Section 4 as Section 5. Provides an exception to the claim of a

legal entity engaged in the business of insurance as specified in Section 1 to an affirmative defense under Section 3, rather than Section 2, of this article.

Sec. 6. Redesignates current Section 5 as Section 6. Provides that a legal entity engaged in the business of insurance as specified in Section 1 of this article is not in violation of the prohibited acts defined in or determined pursuant to Section 3, rather than Section 2, of this article under certain circumstances.

Sec. 7. PENALTIES. Provides that any legal entity engaged in the business of insurance in this state found to be in violation of or failing to comply with this article is subject to the sanctions authorized by Chapter 82 of this code, including administrative penalties authorized under Chapter 82 of this code. Authorizes the commissioner of insurance (commissioner) to use the cease and desist procedures authorized under Chapter 83 of this code.

SECTION 6. AMENDMENT. Amends Section 32.028(a), Human Resources Code, to require the rules and standards to ensure that the fees, charges, and rates conform with the requirements of equal pay for equal work. Defines “equal pay for equal work.”

SECTION 7. REPEALER. Repealer: Article 21.21-6 (Unfair Discrimination), Insurance Code, as added by Chapter 415, Acts of the 74th Legislature, Regular Session, 1995.

SECTION 8. EFFECTIVE DATE; TRANSITION. (a) Effective date: September 1, 2001.

(b) Makes application of this Act prospective.

(c) Requires the Texas Board of Health, the Texas Board of Human Services, and the Texas Department of Insurance, not later than 90 days after the effective date of this Act, to repeal any rules contrary to this Act and to adopt rules necessary to implement this Act. Requires the rules to require that providers justify any disparity in reimbursement rates for the provision of health care services and that the disparity accurately reflects the difference in time and resources expended to provide the health care services.