

BILL ANALYSIS

Senate Research Center
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S.B. 1143
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Health insurers rate doctors and charge patients lower co-payments to see the physicians they deem high-quality providers. However, the physicians who do not receive this classification are not given reasons as to why and are not given the data and evidence used to determine their classification. Also, insurance companies do not use universally accepted measures of quality care or efficiency, lessening accuracy and fairness. In Texas, Blue Cross Blue Shield of Texas unveiled a network called BlueChoice Solutions with the plan of selecting member physicians based on how much their treatments cost, encouraging physicians to avoid treating patients with complications. BlueChoice Solutions was forced to postpone its posting of physician rankings on their website after physicians protested.

As proposed, S.B. 1143 adds a chapter to the Insurance Code explicitly prohibiting physician ranking by health benefit plan issuers.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 (Section 1460.003, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 8, Insurance Code, by adding Chapter 1460, as follows:

CHAPTER 1460. CERTAIN PHYSICIAN RANKING BY HEALTH BENEFIT PLANS PROHIBITED

Sec. 1460.001. DEFINITIONS. Defines "health benefit plan issuer" and "physician."

Sec. 1460.002. PHYSICIAN RANKING PROHIBITED. (a) Prohibits a health benefit plan issuer from taking certain actions to rank physicians.

(b) Prohibits a health benefit plan issuer from using advertising, promotional materials, or other information provided to an applicant for insurance coverage, an insured, or an enrollee, under which certain physicians are ranked as superior in certain criteria.

Sec. 1460.003. RULES. Requires the commissioner of insurance to adopt rules in the manner prescribed by Subchapter A (Rules), Chapter 36, as necessary to implement this chapter.

Sec. 1460.004. SANCTIONS. Provides that a health benefit plan issuer that violates this chapter is subject to sanctions under Chapter 82 (Sanctions).

SECTION 2. (a) Requires a health benefit plan issuer to comply with Chapter 1460, Insurance Code, not later than December 31, 2007.

(b) Provides that a health benefit plan issuer is not subject to sanctions under Section 1460.004, as added by this Act, before January 1, 2008.

SECTION 3. Effective date: September 1, 2007.

