

## **BILL ANALYSIS**

Senate Research Center  
81R1279 PB-F

H.B. 389  
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State Affairs  
5/13/2009  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

When a physician is newly licensed in Texas or moves to a new community to establish a practice, the physician is required to become "credentialed" with the various health insurance plans in that community. The physician credentialing process is often long, although the health insurance plans ultimately approve the credentials of the vast majority of physicians who apply. The delay in the credentialing process puts patients at financial risk, because until the plan approves the credentials of the physician, the physician is forced to bill the patient whom the physician treats as out of network, even though the physician is with a physician group that is contracted with the health insurance plan.

During the 80th Legislature, Regular Session, 2007, H.B. 1594 was enacted to expedite credentialing of physicians joining an existing medical group. The term "group" was not defined in that legislation, and thus the legislative intent has not been followed by certain insurers.

H.B. 389 relates to requirements for expedited credentialing of certain physicians by managed care plans.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1452.101(5), Insurance Code, to redefine "medical group."

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.