

By: Raymond

H.B. No. 317

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the use of clinical decision support software and
3 laboratory benefits management programs by physicians and health
4 care providers in connection with provision of clinical laboratory
5 services to certain managed care plan enrollees.

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

7 SECTION 1. Chapter 1451, Insurance Code, is amended by
8 adding Subchapter L to read as follows:

9 SUBCHAPTER L. CLINICAL LABORATORIES

10 Sec. 1451.551. DEFINITIONS. In this subchapter:

11 (1) "Clinical decision support software" means
12 computer software that compares patient characteristics to a
13 database of clinical knowledge to produce patient-specific
14 assessments or recommendations to assist a physician or health care
15 provider in making clinical decisions.

16 (2) "Clinical laboratory service" means the
17 examination of a specimen taken from a human body ordered by a
18 physician or health care provider for use in the diagnosis,
19 prevention, or treatment of a disease or the identification or
20 assessment of a medical or physical condition.

21 (3) "Enrollee" means an individual enrolled in a
22 managed care plan.

23 (4) "Laboratory benefits management program" means a
24 managed care plan issuer protocol or program administered by the

1 managed care plan issuer or another entity under contract with the
2 managed care plan issuer that dictates, directs, or limits decision
3 making of a physician or health care provider who is authorized to
4 order clinical laboratory services.

5 (5) "Managed care plan" means a health plan provided
6 by a health maintenance organization under Chapter 843 or a
7 preferred provider or exclusive provider plan provided by an
8 insurer under Chapter 1301.

9 (6) "Managed care plan issuer" means a health
10 maintenance organization or an insurer that provides a managed care
11 plan.

12 Sec. 1451.552. CERTAIN REQUIREMENTS FOR USE OF CLINICAL
13 LABORATORIES AND LABORATORY SERVICES PROHIBITED. (a) A managed
14 care plan issuer may not by contract or otherwise require the use of
15 clinical decision support software or a laboratory benefits
16 management program by an enrollee's physician or health care
17 provider before, at the time, or after the physician or health care
18 provider orders a clinical laboratory service for the enrollee.

19 (b) A managed care plan issuer may not by contract or
20 otherwise direct or limit an enrollee's physician or health care
21 provider in the physician's or provider's clinical decision making
22 relating to the use of a clinical laboratory service or the referral
23 of a patient specimen to a clinical laboratory.

24 (c) A managed care plan issuer may not by contract or
25 otherwise require, steer, encourage, or otherwise direct an
26 enrollee's physician or health care provider to refer a patient
27 specimen to a particular clinical laboratory in the managed care

1 plan's provider network designated by the managed care plan issuer
2 other than the clinical laboratory in the network selected by the
3 physician or health care provider.

4 (d) A managed care plan issuer may not by contract or
5 otherwise limit or deny payment of a claim for a clinical laboratory
6 service based on whether the ordering physician or health care
7 provider uses or fails to use clinical decision support software or
8 a laboratory benefits management program.

9 (e) Nothing in this section prohibits a managed care plan
10 issuer from requiring a prior authorization for clinical laboratory
11 services provided that the managed care plan issuer imposes the
12 requirement uniformly to all laboratories providing clinical
13 laboratory services in the managed care plan's provider network.

14 Sec. 1451.553. APPLICABILITY OF SUBCHAPTER TO ENTITIES
15 CONTRACTING WITH MANAGED CARE PLAN ISSUER. This subchapter applies
16 to a person with whom a managed care plan issuer contracts to:

- 17 (1) manage or administer laboratory benefits;
18 (2) processor pay claims;
19 (3) obtain the services of physicians or other
20 providers to provide health care services to enrollees; or
21 (4) issue verifications or preauthorizations.

22 SECTION 2. Subchapter L, Chapter 1451, Insurance Code, as
23 added by this Act, applies only to a contract between a managed care
24 plan issuer and a physician or provider that is entered into or
25 renewed on or after the effective date of this Act. A contract
26 entered into or renewed before the effective date of this Act 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 SECTION 3. This Act takes effect September 1, 2019.