



WORKERS' COMPENSATION NETWORK CONTRACT WITH INSURANCE CARRIER CONTRACT REQUIREMENTS CHECKLIST

We have made every effort to ensure the completeness of the information contained in this document. However, the reader must consult the Texas Insurance Code (TIC), Texas Labor Code, and Title 28 of the Texas Administrative Code (28 TAC) and other applicable laws relating to a Workers' Compensation Health Care Network (network) to determine the accuracy and completeness of all requirements. The reader may access statutes and rules at the following links: <http://www.tdi.texas.gov/rules/index.html> and <http://www.tdi.texas.gov/wc/rules/index.html>.

FILING REQUIREMENTS	
Network must file a copy of the form of any new contract or subcontracts or any changes to previously filed contracts.	TIC §1305.053 28 TAC §§10.22(5) & 10.25(b)
RELEVANT DEFINITIONS	
"Insurance carrier"	<ul style="list-style-type: none"> • TIC §1305.053 • Labor Code §401.011 • 28 TAC §10.2
"Network" or "workers' compensation health care network"	TIC §1305.004
"Transfer of Risk"	TIC §1305.004
NETWORK CONTRACT WITH CARRIER REQUIRED	
A network may provide health care services to employees <i>only through a written contract with an insurance carrier.</i>	TIC §1305.154
EXCEPTIONS: Emergencies and Approved Out-Of-Network Referrals	
NETWORK CONTRACT WITH INSURANCE CARRIER: PROHIBITED PROVISIONS	
Transfer of risk prohibited	<ul style="list-style-type: none"> • §1305.151, TIC • 28 TAC §10.41(a)(16)
NETWORK AND INSURANCE CARRIER FUNCTIONS	
A carrier and a network may negotiate the functions to be provided by the network, except that the network shall contract with providers for the provision of health care, and shall perform functions related to the operation of a quality improvement program and credentialing.	§1305.154(b)
REQUIRED PROVISIONS IN NETWORK CONTRACT WITH INSURANCE CARRIER	
Description of delegated functions	<ul style="list-style-type: none"> • TIC §1305.154(c)(1) • 28 TAC §10.41(a)(1)
Compliance with Chapter 1305, Texas Workers' Compensation Act, and TDI rules (compliance by network, management contractor, and third party)	<ul style="list-style-type: none"> • TIC §1305.154(c)(2) • 28 TAC §10.41(a)(2)
Termination of contract (with and without cause)	<ul style="list-style-type: none"> • TIC §1305.154(c)(3) • 28 TAC §10.41(a)(3)(A)-(B)

Hold-harmless provision (applicable to network, management contractor, and third party)	<ul style="list-style-type: none"> • TIC §1305.154(c)(4) • 28 TAC §10.41(a)(4)
Carrier retains ultimate responsibility (of all delegated functions, management contractor functions, compliance of statutes and rules, and financial responsibility)	<ul style="list-style-type: none"> • TIC §1305.154(c)(5) • 28 TAC §10.41(a)(5)
Network's role	<ul style="list-style-type: none"> • TIC §1305.154(c)(6) • 28 TAC §10.41(a)(6)
Carrier's oversight and monitoring	<ul style="list-style-type: none"> • TIC §1305.154(c)(6) • 28 TAC §10.41(a)(6)
Data network must provide monthly to carrier (data necessary for the carrier to comply with reporting requirements)	<ul style="list-style-type: none"> • TIC §1305.154(c)(7) • 28 TAC §10.41(a)(7)(A)-(C)
Compliance with reporting requirements (applicable to network, management contractor, and delegated third party)	<ul style="list-style-type: none"> • TIC §1305.154(c)(8) • 28 TAC §10.41(a)(8)
License numbers of management contractor, delegated third party, URA, or any party that performs a function <i>that requires</i> a license	<ul style="list-style-type: none"> • TIC §1305.154(c)(8) • 28 TAC §10.41(a)(8)
Contingency plan	<ul style="list-style-type: none"> • TIC §1305.154(c)(9)(A)-(D) • 28 TAC §10.41(a)(9)(A)-(F)
Written delegation agreement required (required for any function delegated to a management contractor or any third party)	<ul style="list-style-type: none"> • TIC §1305.154(c)(10) • 28 TAC §10.41(a)(10)
Written delegation agreement must require that the delegated third party or management contractor be subject to all the requirements of Chapter 1305, Subchapter D, and 28 TAC Chapter 10	<ul style="list-style-type: none"> • TIC §1305.154(c)(10) • 28 TAC §10.41(a)(10)
Network must provide license numbers of management contractor, delegated third party, URA, or any party that performs a function <i>that requires</i> a license	<ul style="list-style-type: none"> • TIC §1305.154(c)(11) • 28 TAC §10.41(a)(11)
Acknowledgment of compliance by management contractor and third party with applicable of statutes and rules; carrier and network oversight and monitoring of performance	<ul style="list-style-type: none"> • TIC §1305.154(c)(12)(A) • 28 TAC §10.41(a)(12)(A)
Acknowledgment that carrier or network may cancel delegation of any or all delegated functions (if management contractor or third party fails to meet monitoring standards and are not in full compliance with all statutory and regulatory requirements)	<ul style="list-style-type: none"> • TIC §1305.154(c)(12)(B) • 28 TAC §10.41(a)(12)(B)
Information for compliance with 28 TAC §10.60 (network, management contractor or third party must provide information to carrier)	<ul style="list-style-type: none"> • TIC §1305.154(c)(13) • 28 TAC §10.41(a)(13)
TDI examination of management contractor or third party	<ul style="list-style-type: none"> • TIC §1305.154(c)(14) • 28 TAC §10.41(a)(14)
Complaint system required	28 TAC §10.41(a)(15)(A)
Complaint log; carrier right to complaint files	28 TAC §10.41(a)(15)(B)
Transfer of risk (nothing in contract may be interpreted as a transfer of risk)	28 TAC §10.41(a)(16)
Carrier's contingency plan	28 TAC §10.41(a)(17)
Compliance with federal and state laws	28 TAC §10.41(a)(18)

If you have questions or require assistance regarding the information provided in this checklist, please call 512-676-6400, select Option 8.

NOTICE ABOUT CERTAIN INFORMATION LAWS AND PRACTICES

With few exceptions, you are entitled to be informed about the information that the Texas Department of Insurance (TDI) collects about you. Under sections 552.021 and 552.023 of the Texas Government Code, you have a right to review or receive copies of information about yourself, including private information. However, TDI may withhold information for reasons other than to protect your right to privacy. Under section 559.004 of the Texas Government Code, you are entitled to request that TDI correct information that TDI has about you that is incorrect. For more information about the procedure and costs for obtaining information from TDI or about the procedure for correcting information kept by TDI, please contact the Agency Counsel Section of TDI's General Counsel Division at (512) 676-6551 or visit the Corrections Procedure section of TDI's website at www.tdi.texas.gov.