



Workers' Compensation Health Care Network Management Contract Checklist

The reader should not rely solely on the contents of this checklist. 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 to ascertain all requirements relating to the Workers' Compensation Health Care Network (network), and to determine the accuracy and completeness of all requirements described in this checklist. 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>.

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| FILING REQUIREMENTS: Filing and TDI approval | <ul style="list-style-type: none"> • TIC §1305.102 • 28 TAC §§10.25(a) and 10.40(a) |
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| EXAMPLES OF MANAGEMENT SERVICES | 28 TAC §10.40(b) |
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| HOLDING COMPANY ACT: Network must determine whether it must file the management contract in accordance with the Holding Company Act. For assistance, contact Financial Analysis by telephone at 1-800-578-4677 or by e-mail to FinancialAnalysis@tdi.texas.gov | TIC Chapter 823 |
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| REQUIRED PROVISIONS IN MANAGEMENT CONTRACT | |
| Cancellation of Contract: Cancellation of the contract without cause requires 90-days prior written notice. | TIC §1305.102(c)(1) |
| Notice to Commissioner: Cancellation of the contract requires notice to TDI by certified mail. | TIC §1305.102(c)(2) |
| Network Responsibilities: Network is responsible for ensuring that all functions delegated by the contract are performed in accordance with applicable statutes and rules, subject to the carrier's oversight and monitoring of the network's performance. | TIC §1305.102(c)(3) |

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| FIDELITY BOND REQUIRED | |
| Amount of Bond: \$250,000 or a greater amount as prescribed by the commissioner. | TIC §1305.102(f) |
| Issued by Authorized Insurer* *If the commissioner determines that a fidelity bond is not available from an authorized insurer, the management contractor may obtain a fidelity bond from a surplus lines agent under TIC Chapter 981. | TIC §1305.102(g) |
| Network Must File Fidelity Bond With TDI | TIC §1305.102(g) |
| Fidelity Bond Surety Obligations | TIC §1305.102(h) |
| Deposit in Lieu of Fidelity Bond | TIC §1305.102(i) |

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| <p>ASSIGNMENT OF THE MANAGEMENT CONTRACT PROHIBITED</p> | <p>TIC §1305.102(j)</p> |
| <p>REQUIREMENTS RELATING TO COMPETENCE, FITNESS, OR REPUTATION OF EACH OF THE CONTRACTOR'S OFFICERS AND DIRECTORS OR OTHER PERSON HAVING CONTROL OF THE CONTRACTOR</p> | <p>TIC §1305.102(d) and (e)</p> |
| <p>MANAGEMENT CONTRACTOR OR DELEGATED THIRD PARTY ALSO ACTING AS THE HEALTH CARE PROVIDER'S AGENT</p> <ul style="list-style-type: none"> • Contract disclosures • Provider fees • Compliance with TIC Chapter 1305 • A network, management contractor, or third party may not require a health care provider, as a condition for contracting with the certified network, to utilize as a health care provider agent the management contractor or the third party. | <p>TIC §1305.153(f) – (j)</p> |

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.