



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Office of General Counsel (MS-15)

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To: System Participants

From: Nicholas Canaday, III, General Counsel

Date: August 28, 2019

RE: Proposed New Rules to Implement SB 935

The Texas Department of Insurance, Division of Workers' Compensation (DWC) is accepting public comments on proposed new rules for 28 Texas Administrative Code §134.150 and §134.155 to implement Senate Bill (SB) 935, 86th Legislature (2019).

SB 935 requires DWC to adopt rules necessary to implement Labor Code §413.0112 no later than December 1, 2019. The rules will establish requirements for processing medical bills for services provided to an injured employee by a federal military treatment facility (FMTF), as well as a separate medical dispute resolution process to resolve charges billed directly to an injured employee by an FMTF. The change in law made by SB 935 applies to health care services provided to an injured employee on or after January 1, 2020, regardless of the date of injury.

#### *Rule 134.150*

- Establishes applicability of rules in subsections (a)-(b).
- Clarifies in subsection (c)-(d) bill processing and handling requirements.
- Clarifies in subsection (e) that an insurance carrier may only deny a medical bill based on medical necessity, compensability, extent, or liability.
- Creates in subsection (f) obligations for medical bill reporting by an insurance carrier requiring submission of the first bill received from an FMTF.
- Clarifies in subsection (g) that unreported bills are subject to a request for information under Rule 102.9.

#### *Rule 134.155*

- Provides in subsection (a)(1) that disputes for medical necessity will be handled under Rule 133.308, that an injured employee may initiate a dispute, and that the insurance carrier will be responsible for all independent review organization fees.
- Provides in subsection (a)(2) that all other disputes will be handled under the existing process for benefit review conferences.
- Notes in subsection (c) that a first responder may request expedited dispute resolution.

The proposed rules will be published in the August 30, 2019, issue of the *Texas Register* and will be available at [www.sos.state.tx.us/texreg/index.shtml](http://www.sos.state.tx.us/texreg/index.shtml) once published. A courtesy copy will also be available on the TDI website at [www.tdi.texas.gov/wc/rules/2019rules.html](http://www.tdi.texas.gov/wc/rules/2019rules.html).

DWC will host a public hearing on these rules on Monday, September 16, 2019, at 10 a.m. at the DWC central office located at 7551 Metro Center Drive, Suite 100, in Austin. Written comments on the proposed rules may be submitted at the meeting, by email to [RuleComments@tdi.texas.gov](mailto:RuleComments@tdi.texas.gov), or by mailing or delivering your comments to:

Cynthia Guillen  
Office of General Counsel, MS-4D  
Texas Department of Insurance, Division of Workers' Compensation  
7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

To be considered, comments must be received by 5 p.m., Central time, on Monday, September 30, 2019. DWC provides reasonable accommodations for persons attending meetings, hearings, or educational events as required by the Americans with Disability Act. If you need accommodations, please contact Cynthia Guillen at 512-804-4275 or at [RuleComments@tdi.texas.gov](mailto:RuleComments@tdi.texas.gov) before 5 p.m., Central time, on Thursday, September 12, 2019.