

CHAPTER 140

S.B. No. 376

AN ACT

relating to use of osteopathic hospitals by health maintenance and preferred provider organization

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subchapter E, Chapter 21, Insurance Code, is amended by adding Article 21.53B to read as follows:

*Art. 21.53B. USE OF OSTEOPATHIC HOSPITAL BY HEALTH MAINTENANCE AND PREFERRED PROVIDER ORGANIZATIONS. (a) A health maintenance or preferred provider organization that contracts with a hospital to provide services to covered individuals may not refuse to contract with a particular hospital solely because that hospital is an osteopathic hospital.*

*(b) A health maintenance or preferred provider organization that provides benefits for inpatient or outpatient services provided by allopathic hospitals shall seek to provide benefits for similar services provided by an osteopathic hospital if there is an osteopathic hospital within the service area of the health maintenance or preferred provider organization that will provide those services at substantially similar cost.*

SECTION 2. This Act takes effect September 1, 1993, and applies only to a contract made or renewed on or after January 1, 1994. A contract made or renewed before January 1, 1994 is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on March 22, 1993: Yeas 31, Nays 0; passed the House on April 3, 1993, by a non-record vote.

Approved May 16, 1993.

Effective Sept. 1, 1993.