By: Buckingham, et al.

S.B. No. 1148

## A BILL TO BE ENTITLED

1	AN ACT									
2	relating to maintenance of certification by a physician or an									
3	applicant for a license to practice medicine in this state;									
4	authorizing a fee.									
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:									
6	SECTION 1. Subtitle F, Title 8, Insurance Code, is amended									
7	by adding Chapter 1461 to read as follows:									
8	CHAPTER 1461. DISCRIMINATION AGAINST PHYSICIAN BASED ON									
9	MAINTENANCE OF CERTIFICATION									
10	Sec. 1461.001. DEFINITIONS. In this chapter:									
11	(1) "Enrollee" means an individual who is eligible to									
12	receive health care services under a managed care plan.									
13	(2) "Maintenance of certification" has the meaning									
14	assigned by Section 151.002, Occupations Code.									
15	(3) "Managed care plan" means a health benefit plan									
16	under which medical care services are provided to enrollees through									
17	contracts with physicians and that requires enrollees to use									
18	participating physicians or that provides a different level of									
19	coverage for enrollees who use participating physicians. The term									
20	includes a health benefit plan issued by:									
21	(A) a health maintenance organization;									
22	(B) a preferred provider benefit plan issuer; or									
23	(C) any other entity that issues a health benefit									
24	plan, including an insurance company.									

1	(4) "Participating physician" means a physician who							
2	has directly or indirectly contracted with a health benefit plan							
3	issuer to provide services to enrollees.							
4	(5) "Physician" means a person licensed to practice							
5	medicine in this state.							
6	Sec. 1461.002. APPLICABILITY. (a) This chapter applies to							
7	a physician regardless of whether the physician is a participating							
8	physician.							
9	(b) This chapter applies to a person to whom a managed care							
10	plan issuer contracts to:							
11	(1) process or pay claims;							
12	(2) obtain the services of physicians to provide							
13	medical care services to enrollees; or							
14	(3) issue verifications or preauthorizations.							
15	Sec. 1461.003. DISCRIMINATION BASED ON MAINTENANCE OF							
16	CERTIFICATION. (a) Except as provided by Subsection (b), a							
17	managed care plan issuer may not differentiate between physicians							
18	based on a physician's maintenance of certification in regard to:							
19	(1) paying the physician;							
20	(2) reimbursing the physician; or							
21	(3) directly or indirectly contracting with the							
22	physician to provide services to enrollees.							
23	(b) A managed care plan issuer may differentiate between							
24	physicians based on a physician's maintenance of certification							
25	<u>only:</u>							
26	(1) if the entity that administers the physician's							
27	maintenance of certification is certified under Chapter 170,							

1	Occupations Code; and								
2	(2) after the issuer considers the physician's:								
3	(A) training;								
4	(B) experience;								
5	(C) competence; and								
6	(D) judgment.								
7	(c) A managed care plan issuer may not differentiate between								
8	physicians based on the entity that administers a physician's								
9	maintenance of certification.								
10	SECTION 2. Section 151.002(a), Occupations Code, is amended								
11	by adding Subdivision (6-b) to read as follows:								
12	(6-b) "Maintenance of certification" means the								
13	satisfactory completion of periodic recertification requirements								
14	that are required for a physician to maintain certification after								
15	initial certification from:								
16	(A) a medical specialty member board of the								
17	American Board of Medical Specialties;								
18	(B) a medical specialty member board of the								
19	American Osteopathic Association Bureau of Osteopathic								
20	<u>Specialists;</u>								
21	(C) the American Board of Oral and Maxillofacial								
22	Surgery; or								
23	(D) any other certifying board that is recognized								
24	by the Texas Medical Board.								
25	SECTION 3. Subchapter A, Chapter 151, Occupations Code, is								
26	amended by adding Section 151.006 to read as follows:								
27	Sec. 151.006. CERTIFICATION OF MEDICAL SPECIALTY.								

1	(a) Notwithstanding any law other than Subsection (b), a physician
2	is considered a board-certified medical specialist in this state if
3	the physician receives initial certification, regardless of the
4	physician's maintenance of certification, from:
5	(1) a medical specialty member board of the American
6	Board of Medical Specialties;
7	(2) a medical specialty member board of the American
8	Osteopathic Association Bureau of Osteopathic Specialists;
9	(3) the American Board of Oral and Maxillofacial
10	Surgery; or
11	(4) any other certifying board that is recognized by
12	the Texas Medical Board.
13	(b) Subsection (a) does not apply to a physician:
14	(1) who holds a medical license that is currently
15	restricted or suspended for cause or has been canceled for cause or
16	revoked by any state, a province of Canada, or a uniformed service
17	of the United States;
18	(2) who is under an investigation or against whom a
19	proceeding is instituted that may result in a restriction,
20	cancellation, suspension, or revocation of the physician's medical
21	license in any state, a province of Canada, or a uniformed service
22	of the United States; or
23	(3) who has a prosecution that is pending against the
24	physician in any state, federal, or Canadian court for any offense
25	that under the laws of this state is a misdemeanor involving moral
26	turpitude or a felony.
27	SECTION 4. Subchapter B, Chapter 151, Occupations Code, is

S.B. No. 1148 amended by adding Section 151.0515 to read as follows: 1 2 Sec. 151.0515. DISCRIMINATION BASED ON MAINTENANCE OF CERTIFICATION. (a) Except as provided by Subsection (b), the 3 following entities may not differentiate between physicians based 4 on a physician's maintenance of certification: 5 6 (1) a health facility that is licensed under Subtitle 7 B, Title 4, Health and Safety Code, if the facility has an organized medical staff or a process for credentialing physicians; 8 9 (2) a hospital that is owned or operated by this state; 10 (3) an institution or program that is owned, operated, 11 or licensed by this state, including an institution or program that directly or indirectly receives state financial assistance, if the 12 13 institution or program has an organized medical staff or a process for credentialing physicians on its staff; or 14 15 (4) an institution or program that is owned, operated, 16 or licensed by a political subdivision of this state, if the institution or program has an organized medical staff or a process 17 18 for credentialing physicians on its staff. (b) An entity described by Subsection (a) may differentiate 19 20 between physicians based on a physician's maintenance of 21 certification only: 22 (1) if the entity that administers the physician's maintenance of certification is certified under Chapter 170; and 23 24 (2) after the entity considers the physician's: 25 (A) training; 26 (B) experience; 27 (C) competence; and

1	(D) judgment.								
2	(c) An entity described by Subsection (a) may not								
3	differentiate between physicians based on the entity that								
4	administers a physician's maintenance of certification.								
5	(d) A state agency, including the Health and Human Services								
6	Commission and the Department of State Health Services, may not								
7	require an entity described by Subsection (a) to require								
8	maintenance of certification by a physician.								
9	SECTION 5. Section 155.003, Occupations Code, is amended by								
10	amending Subsection (d) and adding Subsection (d-1) to read as								
11	follows:								
12	(d) Except as provided by Subsection (d-1), in [ <del>In</del> ] addition								
13	to the other requirements prescribed by this subtitle, the board								
14	may require an applicant to comply with other requirements that the								
15	board considers appropriate.								
16	(d-1) The board may not require maintenance of								
17	certification by an applicant for the applicant to be eligible for a								
18	license under this chapter.								
19	SECTION 6. Section 156.001, Occupations Code, is amended by								
20									
21	(f) The board may not adopt a rule requiring maintenance of								
22	certification by a license holder for the license holder to be								
23	eligible for an initial or renewal registration permit.								
24	SECTION 7. Subtitle B, Title 3, Occupations Code, is								
25	amended by adding Chapter 170 to read as follows:								

CHAPTER 170. ENTITY CERTIFICATION TO PROVIDE MAINTENANCE OF 1 2 CERTIFICATION Sec. 170.001. CERTIFICATE TO PROVIDE MAINTENANCE 3 OF CERTIFICATION. (a) The board shall establish a process to issue a 4 certificate authorizing an entity to provide maintenance of 5 certification for physicians. 6 7 (b) The board by rule shall establish the minimum number of continuing medical education hours that are required for 8 9 maintenance of certification in a particular medical specialty by an entity under this chapter. 10 11 Sec. 170.002. FEES. The board may set a reasonable application fee for a certificate under this chapter. 12 13 Sec. 170.003. APPLICATION FOR CERTIFICATE. (a) The board shall prescribe the form of an application for a certificate under 14 this chapter. 15 (b) 16 The application must require the applicant to provide: 17 (1) the applicant's legal name, mailing address, telephone number, and business address; 18 (2) the particular practice area in which 19 the 20 applicant will offer maintenance of certification; (3) the requirements the applicant will impose on a 21 physician for maintenance of certification; 22 (4) an online resource for the consumer to verify the 23 maintenance of certification of its members; 24 25 (5) that the applicant has a permanent headquarters 26 and staff; 27 (6) that the applicant has written proof of a

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determination by the Internal Revenue Service that the agency is 1 tax exempt under Section 501(c), Internal Revenue Code of 1986; 2 (7) that the applicant has written bylaws, a code of 3 ethics to guide the practice of its members, and a disciplinary 4 system providing for revocation of certification based upon 5 violations of such bylaws or ethical guidelines; 6 7 (8) that the applicant has an internal review and control process, including budgetary practices, to ensure 8 9 effective use of resources; 10 (9) that the applicant has the ability to provide a 11 full explanation of its recertification process upon request by the board; and 12 13 (10) the amount of any fees the applicant will charge a 14 physician for maintenance of certification. Sec. 170.004. ISSUANCE OF CERTIFICATE. (a) The board 15 16 shall issue a certificate under this chapter to an applicant that: 17 (1) submits an application on the form prescribed by 18 the board under Section 170.003; 19 (2) pays the required fee; and 20 (3) demonstrates to the satisfaction of the board that 21 the applicant's maintenance of certification program complies with Section 170.005. 22 (b) The board shall within 180 days issue a certificate to 23 an applicant that meets the requirements of this chapter. 24 25 Sec. 170.005. REQUIREMENTS FOR MAINTENANCE OF CERTIFICATION. A maintenance of certification program provided by 26 27 a holder of a certificate under this chapter:

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1	(1) must require a physician seeking maintenance of
2	certification to:
3	(A) be licensed in this state with a full and
4	unrestricted license; and
5	(B) complete at least the minimum number of
6	continuing medical education hours set by board rule under Section
7	<u>170.001(b);</u>
8	(2) may not deny an application by a physician seeking
9	maintenance of certification if the physician is considered a
10	board-certified medical specialist in this state for purposes of
11	Section 151.006; and
12	(3) other than continuing medical education hours, may
13	not require a physician initially certified by the entity to
14	provide confidential patient records or complete any educational or
15	testing requirement, including periodic testing, proprietary
16	self-assessment, or peer evaluation.
17	Sec. 170.006. ADVERTISING AS BOARD-CERTIFIED SPECIALIST. A
18	physician who holds current maintenance of certification from a
19	certificate holder under this chapter may advertise that the
20	physician is a board-certified specialist in the area of medical
21	specialty in which the physician holds the initial board
22	certification.
23	Sec. 170.007. CONFIDENTIALITY. (a) Except as provided by
24	Subsection (b), information that is used, maintained, or compiled
25	by a holder of a certificate issued under this chapter regarding an
26	application by a physician for maintenance of certification is
27	confidential and not subject to subpoena or discovery.

(b)	The	board	may	obtain	reco	ords	from	а	holder	c of	a
<u>certificat</u>	e iss	ued un	der t	his cha	apter	only	y for	the	e purpo	oses	of
<u>verifying r</u>	nainte	enance	of cer	tificat	ion b	уар	hysic	ian.	<u>.</u>		
SECT	ION 8	. The	Texas	s Medic	al Bo	bard	shall	. ad	opt ru	ıles	to
implement	Chapte	er 170,	Occuj	pations	Code	, as	added	by	this A	ct,	not
	<u>certificat</u> verifying r SECT	certificate iss verifying mainte SECTION 8	certificate issued un verifying maintenance SECTION 8. The	certificate issued under t verifying maintenance of cer SECTION 8. The Texas	certificate issued under this cha verifying maintenance of certificat SECTION 8. The Texas Medic	certificate issued under this chapter verifying maintenance of certification b SECTION 8. The Texas Medical Bo	certificate issued under this chapter only verifying maintenance of certification by a p SECTION 8. The Texas Medical Board	certificate issued under this chapter only for verifying maintenance of certification by a physic SECTION 8. The Texas Medical Board shall	certificate issued under this chapter only for the verifying maintenance of certification by a physician. SECTION 8. The Texas Medical Board shall ad	certificate issued under this chapter only for the purport verifying maintenance of certification by a physician. SECTION 8. The Texas Medical Board shall adopt ru	certificate issued under this chapter only for the purposes

6 later than September 1, 2018.

## 7 SECTION 9. This Act takes effect January 1, 2018.