

INSURANCE CODE

TITLE 6. ORGANIZATION OF INSURERS AND RELATED ENTITIES
SUBTITLE C. LIFE, HEALTH, AND ACCIDENT INSURERS AND RELATED
ENTITIES

CHAPTER 844. CERTIFICATION OF CERTAIN NONPROFIT HEALTH
CORPORATIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 844.001. DEFINITIONS. In this chapter:

(1) "Approved nonprofit health corporation" means a nonprofit health corporation certified under Section 162.001, Occupations Code.

(2) "Certificate holder" means an approved nonprofit health corporation that holds a certificate of authority issued under this chapter.

(3) "Health care plan" has the meaning assigned by Section 843.002.

(4) "Health maintenance organization" means a health maintenance organization licensed under Chapter 843.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.002. EXCEPTIONS. This chapter does not apply to:

(1) an approved nonprofit health corporation that contracts to arrange for or provide health care services on a fee-for-service basis;

(2) a contract entered into by a certificate holder to arrange for or provide health care services on a fee-for-service basis; or

(3) an activity exempt from regulation under Section 843.053 or 843.073.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.003. EXCEPTIONS TO TEXAS HEALTH MAINTENANCE ORGANIZATION ACT. This chapter may not be construed to alter the exceptions stated in Sections 843.053 and 843.073.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.004. RULES. Except as provided by Section 844.101(b), the commissioner shall adopt rules to implement this chapter.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.005. PROVISION OF CERTAIN SERVICES ON BEHALF OF HEALTH MAINTENANCE ORGANIZATIONS. (a) An approved nonprofit health corporation may arrange for or provide health care services on a risk-sharing or capitated risk arrangement on behalf of a health maintenance organization.

(b) An approved nonprofit health corporation is not required to obtain a certificate of authority under this chapter or under Chapter 843 to arrange for or provide health care services as provided by Subsection (a).

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

SUBCHAPTER B. AUTHORITY TO ENGAGE IN BUSINESS

Sec. 844.051. CERTIFICATE OF AUTHORITY REQUIRED. An approved nonprofit health corporation may not arrange for or provide a health care plan to enrollees on a prepaid basis unless the corporation holds a certificate of authority issued under this chapter.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.052. CERTIFICATE APPLICATION; ELIGIBILITY REQUIREMENTS. (a) An approved nonprofit health corporation may apply to the department for a certificate of authority under this chapter.

(b) The commissioner may issue a certificate of authority only to an applicant that:

(1) meets the same requirements for the issuance of a certificate of authority that a health maintenance organization is required to meet under Chapter 843; and

(2) establishes accreditation by:

(A) the National Committee on Quality Assurance;

(B) the Joint Commission on Accreditation of Healthcare Organization's accreditation for health care networks; or

(C) an accrediting organization recognized by rule of the commissioner.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.053. PROVISIONAL CERTIFICATE OF AUTHORITY. The commissioner shall grant a provisional certificate of authority to an applicant if:

(1) the applicant has applied for accreditation from an accrediting organization described by Section 844.052(b)(2);

(2) the applicant is diligently pursuing accreditation;

(3) the accrediting organization has not denied the application for accreditation; and

(4) the applicant satisfies each other requirement of this chapter.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

Sec. 844.054. POWERS AND DUTIES OF CERTIFICATE HOLDER. (a) A certificate holder has all the powers granted to and duties imposed on a health maintenance organization under the insurance laws of this state, including Chapter 843, and is subject to regulation and regulatory enforcement under those laws in the same manner as a health maintenance organization.

(b) A certificate holder shall maintain accreditation as described by Section 844.052(b)(2).

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.

SUBCHAPTER C. PROHIBITED CONDUCT

Sec. 844.101. UNFAIR COMPETITION. (a) A certificate holder may not engage in unfair and disruptive provider hiring or contracting practices for the purpose of limiting competition from traditional community providers.

(b) The Texas State Board of Medical Examiners shall adopt

rules to implement this section.

Added by Acts 2001, 77th Leg., ch. 1419, Sec. 1, eff. June 1, 2003.