

LABOR CODE

TITLE 5. WORKERS' COMPENSATION

SUBTITLE A. TEXAS WORKERS' COMPENSATION ACT

CHAPTER 405. WORKERS' COMPENSATION RESEARCH

Sec. 405.001. DEFINITION. In this chapter, "group" means the workers' compensation research and evaluation group.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 10, Sec. 1.01, eff. Oct. 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 265 (H.B. 7), Sec. 3.018, eff. September 1, 2005.

Sec. 405.002. WORKERS' COMPENSATION RESEARCH DUTIES OF DEPARTMENT.

(a) The workers' compensation research and evaluation group is located within the department and serves as a resource for the commissioner of insurance on workers' compensation issues.

(b) The department may apply for and spend grant funds to implement this chapter.

(c) The department shall ensure that all research reports prepared under this chapter or by the former Research and Oversight Council on Workers' Compensation are accessible to the public through the Internet to the extent practicable.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 10, Sec. 1.01, eff. Oct. 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 265 (H.B. 7), Sec. 3.019, eff. September 1, 2005.

Sec. 405.0025. RESEARCH DUTIES OF GROUP. (a) The group shall conduct professional studies and research related to:

- (1) the delivery of benefits;
- (2) litigation and controversy related to workers' compensation;
- (3) insurance rates and ratemaking procedures;
- (4) rehabilitation and reemployment of injured

employees;

(5) the quality and cost of medical benefits;

(6) employer participation in the workers' compensation system;

(7) employment health and safety issues; and

(8) other matters relevant to the cost, quality, and operational effectiveness of the workers' compensation system.

(b) The group shall:

(1) objectively evaluate the impact of the workers' compensation health care networks certified under Chapter 1305, Insurance Code, on the cost and the quality of medical care provided to injured employees; and

(2) report the group's findings to the governor, the lieutenant governor, the speaker of the house of representatives, and the members of the legislature not later than December 1 of each even-numbered year.

(c) At a minimum, the report required under Subsection (b) must evaluate the impact of workers' compensation health care networks on:

(1) the average medical and indemnity cost per claim;

(2) access and utilization of health care;

(3) injured employee return-to-work outcomes;

(4) injured employee satisfaction;

(5) injured employee health-related functional outcomes;

(6) the frequency, duration, and outcome of complaints; and

(7) the frequency, duration, and outcome of disputes regarding medical benefits.

Added by Acts 2005, 79th Leg., Ch. 265 (H.B. 7), Sec. 3.020, eff. September 1, 2005.

Sec. 405.0026. RESEARCH AGENDA. (a) The group shall prepare and publish annually in the Texas Register a proposed workers' compensation research agenda for the commissioner of insurance review and approval.

(b) The commissioner of insurance shall:

(1) accept public comments on the research agenda; and

(2) hold a public hearing on the proposed research agenda if a hearing is requested by interested persons.

Added by Acts 2005, 79th Leg., Ch. 265 (H.B. 7), Sec. 3.020, eff. September 1, 2005.

Sec. 405.003. FUNDING; MAINTENANCE TAX. (a) The group's duties under this chapter are funded through the assessment of a maintenance tax collected annually from all insurance carriers, and self-insurance groups that hold certificates of approval under Chapter 407A, except governmental entities.

(b) The department shall set the rate of the maintenance tax based on the expenditures authorized and the receipts anticipated in legislative appropriations. The tax rate for insurance companies may not exceed one-tenth of one percent of the correctly reported gross workers' compensation insurance premiums. The tax rate for certified self-insurers may not exceed one-tenth of one percent of the total tax base of all certified self-insurers, as computed under Section 407.103(b). The tax rate for self-insurance groups described by Subsection (a) may not exceed one-tenth of one percent of the group's gross premium for the group's retention, excluding premium collected by the group for excess insurance.

(c) The tax imposed under Subsection (a) is in addition to all other taxes imposed on those insurance carriers for workers' compensation purposes.

(d) The tax on insurance companies and on self-insurance groups described by Subsection (a) shall be assessed, collected, and paid in the same manner and at the same time as the maintenance tax established for the support of the department under Chapter 255, Insurance Code. The tax on certified self-insurers shall be assessed, collected, and paid in the same manner and at the same time as the self-insurer maintenance tax collected under Section 407.104.

(e) Amounts received under this section shall be deposited in the general revenue fund in accordance with Section 251.004, Insurance Code, to be used:

(1) for the operation of the group's duties under this

chapter; and

(2) to reimburse the general revenue fund in accordance with Section [201.052](#), Insurance Code.

(f) Section [403.095](#), Government Code, does not apply in relation to amounts received under this section or to any special account into which the amounts are deposited.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 10, Sec. 1.01, eff. Oct. 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 265 (H.B. [7](#)), Sec. 3.021, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 728 (H.B. [2018](#)), Sec. 11.136, eff. September 1, 2005.

Sec. 405.004. COORDINATION WITH OTHER STATE AGENCIES; CONFIDENTIALITY. (a) As required to fulfill the group's objectives under this chapter, the group is entitled to access to the files and records of:

- (1) the division;
- (2) the Texas Workforce Commission;
- (3) the Department of Assistive and Rehabilitative Services;
- (4) the office of injured employee counsel;
- (5) the State Office of Risk Management; and
- (6) other appropriate state agencies.

(b) A state agency shall assist and cooperate in providing information to the group.

(c) Information that is confidential under state law is accessible to the department under rules of confidentiality and remains confidential.

(d) Except as provided by this subsection, the identity of an individual or entity selected to participate in a survey conducted by the group or who participates in such a survey is confidential and is not subject to public disclosure under Chapter [552](#), Government Code. This subsection does not prohibit the identification of a workers' compensation health care network in a report card issued under Section [1305.502](#), Insurance Code, provided

that the report card may not identify any injured employee or other individual.

(e) A working paper, including all documentary or other information, prepared or maintained by the group in performing the group's duties under this chapter or other law to conduct an evaluation and prepare a report is excepted from the public disclosure requirements of Section [552.021](#), Government Code.

(f) A record held by another entity that is considered to be confidential by law and that the group receives in connection with the performance of the group's functions under this chapter or another law remains confidential and is excepted from the public disclosure requirements of Section [552.021](#), Government Code.

(g) The commissioner of insurance shall adopt rules as necessary to establish data reporting requirements to support the research duties under this chapter. This section may not be construed as requiring additional reporting requirements on nonsubscribing employers.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 10, Sec. 1.01, eff. Oct. 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 265 (H.B. [7](#)), Sec. 3.022, eff. September 1, 2005.