

**SUBCHAPTER C. MEDICAL BILL PROCESSING/AUDIT BY INSURANCE CARRIER.
28 TAC §§133.240 AND 133.250.**

**SUBCHAPTER D. DISPUTE OF MEDICAL BILLS.
28 TAC §§133.305 AND 133.308.**

INTRODUCTION. The Texas Department of Insurance, Division of Workers' Compensation (DWC) proposes to amend 28 TAC §§133.240, 133.250, 133.305, and 133.308, concerning medical disputes for workers' compensation claims. The amendments implement House Bill (HB) 1306, 89th Legislature, Regular Session (2025).

EXPLANATION. HB 1306 added Texas Labor Code §504.057, which requires expedited medical benefits and accelerated medical dispute resolution for claims for medical benefits by a death investigation professional who sustains a serious bodily injury in the course and scope of employment, and requires that the death investigation professional inform DWC and the independent review organization that a contested case hearing or appeal involves a death investigation professional. The amendments are necessary to implement the changes in HB 1306. They specify that the insurance carrier must expedite and give priority to a claim for medical benefits by a death investigation professional who sustains a serious bodily injury in the course and scope of employment, including all health care required to cure or relieve the effects naturally resulting from a compensable injury. They also specify that DWC will accelerate and give priority to an appeal from a denial of a claim for medical benefits, and that the death investigation professional must provide notice to DWC and the independent review organization that a contested case or appeal involves a death investigation professional.

Section 133.240. The amendments to §133.240 add the requirement from HB 1306 that an insurance carrier must accelerate and give priority to a qualifying claim for medical benefits by a death investigation professional, including all required health care for the claim. Amending §133.240 is necessary to ensure that the rule is consistent with HB 1306.

Section 133.250. The amendments to §133.250 add the requirement from HB 1306 that an insurance carrier must accelerate and give priority to a qualifying claim for medical benefits by a death investigation professional, including all required health care for the claim. Amending §133.250 is necessary to ensure that the rule is consistent with HB 1306.

Section 133.305. The amendment to §133.305 adds a definition of "death investigation professional" to tie it to the definition in Labor Code §504.057 from HB 1306. Amending §133.305 is necessary to ensure that the rule is consistent with HB 1306.

Section 133.308. The amendments to §133.308 add the requirement from HB 1306 that DWC will accelerate and give priority to an appeal from a denial of a qualifying claim for medical benefits made by a death investigation professional, as well as to actions involving all health care required to cure or relieve the effects naturally resulting from a compensable injury. The amendments add the requirement from HB 1306 that the death investigation professional must notify DWC and the independent review organization that the contested case hearing or appeal involves a death investigation professional. Amending §133.308 is necessary to ensure that the rule is consistent with HB 1306.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Chief Administrative Law Judge Allen Craddock has determined that during each year of the first five years the proposed amendments are in effect, there will be no or minimal measurable fiscal impact on state and local governments as a result of enforcing or administering the sections, other than that imposed by the statute. This determination was made because the proposed amendments do not add to or decrease state revenues or expenditures, and because local and state government entities are only involved in enforcing or complying with the proposed amendments when acting in the capacity of a workers' compensation insurance carrier. Those entities will be impacted in the same way as an insurance carrier and will realize the same benefits from the proposed amendments.

Chief Administrative Law Judge Craddock does not anticipate a measurable effect on local employment or the local economy as a result of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed amendments are in effect, Chief Administrative Law Judge Craddock expects that enforcing and administering the proposed amendments will have the public benefits of reducing administrative hurdles for death investigation professionals with compensable injuries, and ensuring that DWC's rules conform to Labor Code §504.057, as added by HB 1306, and are current and accurate, which promotes transparent and efficient regulation.

Chief Administrative Law Judge Craddock expects that the proposed amendments will not increase the cost to comply with Labor Code §504.057 because they do not impose requirements beyond those in the statute. HB 1306 added Labor Code §504.057, which requires that insurance carriers expedite claims for medical benefits by death investigation professionals, that DWC accelerate disputes about those claims, and that the death investigation professionals inform DWC and the independent review organization that a contested case hearing or appeal involves a death investigation professional. Any cost

associated with those requirements does not result from the enforcement or administration of the proposed amendments.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. DWC has determined that the proposed amendments will not have an adverse economic effect or a disproportionate economic impact on small or micro businesses, or on rural communities because the proposed amendments implement the requirements in HB 1306 only. The proposed amendments do not change the people the rule affects or impose additional costs. As a result, and in accordance with Government Code §2006.002(c), DWC is not required to prepare a regulatory flexibility analysis.

EXAMINATION OF COSTS UNDER GOVERNMENT CODE §2001.0045. DWC has determined that this proposal does not impose a possible cost on regulated persons. As a result, no additional rule amendments are required under Government Code §2001.0045. In addition, the proposed rule is necessary to implement Labor Code §504.057, as added by HB 1306, 89th Legislature, Regular Session (2025).

GOVERNMENT GROWTH IMPACT STATEMENT. DWC has determined that for each year of the first five years that the proposed amendments are in effect, the proposed rule:

- will not create or eliminate a government program;
- will not require the creation of new employee positions or the elimination of existing employee positions;
- will not require an increase or decrease in future legislative appropriations to the agency;
- will not require an increase or decrease in fees paid to the agency;
- will not create a new regulation;

- will expand, limit, or repeal an existing regulation;
- will not increase or decrease the number of individuals subject to the rule's applicability; and
- will not positively or adversely affect the Texas economy.

DWC made these determinations because the proposed amendments are necessary to implement the changes in HB 1306 that ensure that insurance carriers expedite claims for medical benefits by death investigation professionals, and ensure that DWC expedites disputes about those claims. The proposed amendments do not change the people the rule affects or impose additional costs.

TAKINGS IMPACT ASSESSMENT. DWC has determined that no private real property interests are affected by this proposal, and this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR INFORMATION AND PUBLIC COMMENT. DWC requests public comments on the proposal, including information related to the cost, benefit, or effect of the proposal and any applicable data, research, and analysis. DWC will consider any written comments on the proposal that DWC receives no later than 5:00 p.m., Central time, on November 24, 2025. Send your comments to RuleComments@tdi.texas.gov; or to Texas Department of Insurance, Division of Workers' Compensation, Legal Services, MC-LS, P.O. Box 12050, Austin, TX 78711-2050.

To request a public hearing on the proposal, submit a request before the end of the comment period to RuleComments@tdi.texas.gov; or to Texas Department of Insurance, Division of Workers' Compensation, Legal Services, MC-LS, P.O. Box 12050,

Austin, TX 78711-2050. The request for public hearing must be separate from any comments.

SUBCHAPTER C. MEDICAL BILL PROCESSING/AUDIT BY INSURANCE CARRIER.

28 TAC §§133.240 AND 133.250.

STATUTORY AUTHORITY. DWC proposes §§133.240 and 133.250 under Labor Code §§504.057, 402.00111, 402.00116, and 402.061.

Labor Code §504.057 requires that insurance carriers expedite claims for medical benefits by death investigation professionals who sustain a serious bodily injury in the course and scope of employment, that DWC accelerate disputes about those claims, and that the death investigation professionals inform DWC and the independent review organization that a contested case hearing or appeal involves a death investigation professional.

Labor Code §402.00111 provides that the commissioner of workers' compensation shall exercise all executive authority, including rulemaking authority under Title 5 of the Labor Code.

Labor Code §402.00116 provides that the commissioner of workers' compensation shall administer and enforce this title, other workers' compensation laws of this state, and other laws granting jurisdiction to or applicable to DWC or the commissioner.

Labor Code §402.061 provides that the commissioner of workers' compensation shall adopt rules as necessary to implement and enforce the Texas Workers' Compensation Act.

CROSS-REFERENCE TO STATUTE. The amendments to §§133.240 and 133.250 implement Labor Code §504.057, enacted by HB 1306, 89th Legislature, Regular Session (2025).

TEXT.

§133.240. Medical Payments and Denials.

(a) - (o) (No change.)

(p) For the purposes of this section, all utilization review must be performed by an insurance carrier that is registered with or a utilization review agent that is certified by the Texas Department of Insurance to perform utilization review in accordance with Insurance Code Chapter 4201 and Chapter 19 of this title.

(1) All utilization review agents or registered insurance carriers who perform utilization review under this section must comply with Labor Code §504.055 and any other provisions of Chapter 19, Subchapter U of this title (relating to Utilization Reviews for Health Care Provided under Workers' Compensation Insurance Coverage) that relate to the expedited provision of medical benefits to first responders employed by political subdivisions who sustain a serious bodily injury in the course and scope of employment.

(2) An [In accordance with Labor Code §501.028(b), an] insurance carrier must accelerate and give priority to a claim for medical benefits, including all health care required to cure or relieve the effects naturally resulting from a compensable injury, under the following conditions:

(A) In accordance with Labor Code §501.028(b), the claim is by a member of the Texas military forces who,

~~(i)~~ while on state active duty,

~~(ii)~~ sustains a serious bodily injury, as defined by Penal Code

§1.07.~~(i)~~

(B) In accordance with Labor Code §504.057(c), the claim is by a death investigation professional who sustains a serious bodily injury, as defined by Penal Code §1.07, in the course and scope of employment. [~~including all health care required to cure or relieve the effects naturally resulting from a compensable injury.~~]

(q) (No change.)

§133.250. Reconsideration for Payment of Medical Bills.

(a) - (i) (No change.)

(j) For the purposes of this section, all utilization review must be performed by an insurance carrier that is registered with, or a utilization review agent that is certified by, the Texas Department of Insurance to perform utilization review in accordance with Insurance Code Chapter 4201 and Chapter 19 of this title.

(1) All utilization review agents or registered insurance carriers who perform utilization review under this section must comply with Labor Code §504.055 and any other provisions of Chapter 19, Subchapter U of this title (relating to Utilization Reviews for Health Care Provided under Workers' Compensation Insurance Coverage) that relate to the expedited provision of medical benefits to first responders employed by political subdivisions who sustain a serious bodily injury in the course and scope of employment.

(2) An [~~In accordance with Labor Code §501.028(b), an~~] insurance carrier must accelerate and give priority to a claim for medical benefits, including all health care required to cure or relieve the effects naturally resulting from a compensable injury, under the following conditions:

(A) In accordance with Labor Code §501.028(b), the claim is by a member of the Texas military forces who,

~~(i)~~ while on state active duty,

~~[(ii)]~~ sustains a serious bodily injury, as defined by Penal Code §1.07.~~;~~

(B) In accordance with Labor Code §504.057(c), the claim is by a death investigation professional who sustains a serious bodily injury, as defined by Penal Code §1.07, in the course and scope of employment. ~~[including all health care required to cure or relieve the effects naturally resulting from a compensable injury.]~~

(k) (No change.)

SUBCHAPTER D. DISPUTE OF MEDICAL BILLS.

28 TAC §§133.305 AND 133.308.

STATUTORY AUTHORITY. DWC proposes §§133.305 and 133.308 under Labor Code §504.057, 402.00111, 402.00116, and 402.061.

Labor Code §504.057 requires that insurance carriers expedite claims for medical benefits by death investigation professionals who sustain a serious bodily injury in the course and scope of employment, that DWC accelerate disputes about those claims, and that the death investigation professionals inform DWC and the independent review organization that a contested case hearing or appeal involves a death investigation professional.

Labor Code §402.00111 provides that the commissioner of workers' compensation shall exercise all executive authority, including rulemaking authority under Title 5 of the Labor Code.

Labor Code §402.00116 provides that the commissioner of workers' compensation shall administer and enforce this title, other workers' compensation laws of this state, and other laws granting jurisdiction to or applicable to DWC or the commissioner.

Labor Code §402.061 provides that the commissioner of workers' compensation shall adopt rules as necessary to implement and enforce the Texas Workers' Compensation Act.

CROSS-REFERENCE TO STATUTE. The amendments to §§133.305 and 133.308 implement Labor Code §504.057, enacted by HB 1306, 89th Legislature, Regular Session (2025).

TEXT.

§133.305. MDR--General.

(a) Definitions. The following words and terms, when used in this subchapter, have the following meanings unless the context clearly indicates otherwise.

(1) - (14) (No change.)

(15) Death investigation professional--As defined by §504.057, Labor Code.

(b) - (f) (No change.)

§133.308. MDR of Medical Necessity Disputes.

(a) - (v) (No change.)

(w) Death investigation professionals. In accordance with Labor Code §504.057, the division will accelerate and give priority to an appeal from a denial of a claim for medical benefits.

(1) This subsection applies to a claim for medical benefits made by a death investigation professional who sustains a serious bodily injury, as defined by Penal Code §1.07, in the course and scope of employment.

(2) The division will accelerate and give priority to actions involving all health care required to cure or relieve the effects naturally resulting from a compensable injury.

(3) The death investigation professional must notify the division and IRO that the CCH or appeal involves a death investigation professional.

(x) [(w)] Enforcement. The department or the division may initiate appropriate proceedings under Chapter 12 of this title or Labor Code, Title 5 and division rules against an independent review organization or a person conducting independent reviews.

CERTIFICATION. The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Issued in Austin, Texas, on October 13, 2025.



Kara Mace
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