

ADVISORY NO. 195

**TOPIC: ENFORCEMENT OF HEALTH CARE PROVIDER
ADMINISTRATIVE VIOLATIONS AND PENALTIES**

The Executive Director of the Texas Workers' Compensation Commission has issued the following information in TWCC Advisory 96-08.

Amendments to the Texas Workers' Compensation Act (the Act) by House Bill 1089 created additional administrative penalties of which health care providers should be aware. These amendments to the Act do not create additional duties for health care providers, but do create administrative penalties for failing to comply with duties which already exist.

These administrative penalties are effective for violations where all elements of the violation [§1.58(c) of H.B. 1089] occur on or after September 1, 1995.

- Section 415.0035(b)(1) creates a Class D administrative violation (up to \$500 per violation), if a health care provider fails or refuses to timely file required reports and records. A required report or record is any document or communication required to be filed by the Act or Commission Rule.

- Section 415.0035(b)(2) creates a Class D administrative violation (up to \$500 per violation), for a health care provider who fails to file an annual disclosure statement as required by Section 413.041 of the Act. Section 413.041 requires a health care provider who refers a claimant to another health care provider in which the referring provider has more than 5% financial interest, to file with the Commission an annual disclosure statement. Commission Rule 134.100 requires the annual disclosure statement to be filed by April 1st of each year and requires the following information to be included:

1. The referring health care provider's name, business address, federal tax identification number and professional license number;

2. The name(s), business address(es), federal tax identification number(s), and professional license number(s) of the health care provider(s) in which the referring health care provider has a financial interest greater than 5%; and
3. The percentage(s) of the financial interest.

· These new Class D administrative violations are in addition to the already existing provisions of the Act which authorize a penalty of up to \$10,000 for repeated violations committed as a matter of practice.