

ADVISORY NO. 251

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TOPIC: UTILIZATION REVIEW CERTIFICATION
DEADLINE: MARCH 19, 1999

If you are an insurance company, a certified self-insured, a third-party administrator, or a governmental entity, and you ever perform preauthorization, then you must be registered with or certified by the Texas Department of Insurance by March 19, 1999.

To obtain an application for certification, write to the following address:

Texas Department of Insurance
UR Section, MC-103-6A
P.O. Box 149104
Austin, TX 78714-9104

You may notice that this address is slightly different from the one on the packet you received from us earlier this year. **THIS IS THE CORRECT ADDRESS; DO NOT USE THE ADDRESS IN THE PREVIOUS MATERIAL.**

TDI's utilization review rules make an important distinction between an insurance *company* and an insurance *carrier*. An insurance *company* is defined as a person (including corporations, partnerships, and other business entities) authorized and admitted by TDI to do insurance business in Texas under a certificate of authority which includes authorization to write workers' compensation insurance. An insurance *carrier* is defined as an insurance company, a certified self-insurer, or a governmental entity.

The distinction is important in that an insurance *company* performing its own utilization review is exempt from the application fee and any renewal requirements. An insurance *company* is not certified, but is registered with TDI. To register, send the first page of the application form *and all attachments*. **IMPORTANT:** If you are an insurance company, but you perform utilization review for any other entity, you fall *out* of this exemption and must certify like any other organization.

A certified self-insured, third-party administrator, or a governmental entity is subject to all certification requirements.

IMPORTANT: The certification or registration requirement applies to any carrier who performs prospective review (preauthorization), regardless of whether your files are old

law or new law. Even if you are only holding open medical files under the old law, if you perform preauthorization, you must register or certify with TDI.

Return your application and attachments, along with the fee if applicable, to the address above. If you have any questions concerning this advisory, call Erin Allen at 512/435-2181.