

HMO Delegation Agreement Checklist

You are advised to consult the Texas Insurance Code (TIC), Title 28 of the Texas Administrative Code (TAC), and other applicable laws relating to HMOs and HMO delegation of functions, to determine applicability and the full extent and nature of all the requirements listed in this document.

Delegation Agreement Required

Page _____ : An HMO that delegates a function required by TIC Chapters [843](#), [1271](#), [1272](#), [1367](#), Subchapter A, Chapter [1452](#), or Chapter [1507](#), Subchapter B, must execute a written delegation agreement with the entity to which the HMO delegates the function. [TIC Section 1272.052](#); [28 TAC Section 11.2604\(a\)](#)

Filing Requirement

Page _____ : An HMO must file the written executed delegation agreement and any subsequently executed amendment to the delegation agreement not later than the 30th day after the date the agreement or amendment is executed. [28 TAC Section 11.2611](#); [28 TAC Section 11.301](#)

Definitions

See applicable definitions in [TIC Section 1272.001](#) and [28 TAC Section 11.2602](#)

Compliance by Limited Provider Networks and Delegated Entities

Page _____ : A limited provider network (LPN) or delegated entity must comply with each statutory or regulatory requirement that relates to a function assumed by or carried out by the LPN or delegated entity under TIC Chapter 1272. [TIC Section 1272.002](#)

Required Provisions in a Delegation Agreement

Page _____ : Compliance with all statutes and rules applicable to the functions that the HMO delegates. [TIC Section 1272.056](#); [28 TAC Section 11.2604\(b\)\(1\)](#)

Page _____ : Monitoring plan [TIC Section 1272.053](#); [28 TAC Section 11.2604\(b\)\(2\)](#) and [28 TAC Section 11.2604\(b\)\(3\)](#)

Page _____ : Penalties paid by the delegated entity [TIC Section 1272.254](#); [28 TAC Section 11.2604\(b\)\(4\)](#)

Page _____ : Quarterly assessment and payment of penalties [28 TAC Section 11.2604\(b\)\(5\)](#)

Page _____ : Termination without cause [TIC Section 1272.054](#); [28 TAC Section 11.2604\(b\)\(6\)](#)

Page _____ : Collection of payments (hold-harmless provision) [TIC Section 1272.055](#); [28 TAC Section 11.2604\(b\)\(7\)](#)

Page _____ : Rights and duties of delegated entity and HMO; HMO responsibility to comply with all statutory and regulatory requirements [TIC Section 1272.061](#); [TIC Section 1272.063](#); [28 TAC Section 11.2604\(b\)\(8\)](#)

Page _____ : Termination of delegation for failure by the delegated entity to comply with applicable statutes and rules or monitoring standards [TIC Section 1272.063](#); [28 TAC Section 11.2604\(b\)\(9\)](#)

Page _____ : Examination by Commissioner [TIC Section 1272.057](#); [28 TAC Section 11.2604\(b\)\(10\) and \(11\)](#)

Page _____ : License number of delegated third party [TIC Section 1272.058](#); [28 TAC Section 11.2604\(b\)\(12\)](#)

Page _____ : Utilization review [TIC Section 1272.060](#); [28 TAC Section 11.2604\(b\)\(13\)](#)

Page _____ : Contracts with, and delegation of, functions to a delegated third party [TIC Section 1272.059](#); [28 TAC Section 11.2604\(b\)\(14\), \(15\), \(16\), \(17\), and \(18\)](#)

Page _____ : Information that the delegated entity must provide to HMO [TIC Section 1272.062](#); [28 TAC Section 11.2604\(b\)\(19\) and \(20\)](#)

Page _____ : Enrollee complaints [TIC Section 1272.063](#); [28 TAC Section 11.2604\(b\)\(21\)](#)

Page _____ : Delegated entity and delegated third party must comply with the provisions of 28 TAC Chapter 22 (relating to privacy of financial and health information) [28 TAC Section 11.2604\(b\)\(22\)](#)

Page _____ : Identity of an HMO officer as the HMO's representative for all matters related to the delegation agreement [28 TAC Section 11.2604\(b\)\(23\)](#)

Page _____ : Identity of party who bears the expense of compliance and the cost of any examinations [TIC Section 1272.052](#); [28 TAC Section 11.2604\(b\)\(24\)](#)

For all requirements relating to delegated entities, delegated networks, and delegated third parties, see at a minimum [TIC Chapter 843](#), [TIC Chapter 1272](#), and [28 TAC Chapter 11, Subchapter AA \(Sections 11.2601 – 11.2611\)](#)

Questions

If you have questions or require assistance regarding the information provided in this checklist, please call 512-676-6400, select option 3.

Your rights

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