

By: Frank, Harless, Collier

H.B. No. 633

Substitute the following for H.B. No. 633:

By: Harless

C.S.H.B. No. 633

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the method of payment for certain health care provided
3 by a hospital.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Chapter 1204, Insurance Code, is amended by
6 adding Subchapter G to read as follows:

7 SUBCHAPTER G. DIRECT PAYMENT OF HOSPITAL

8 Sec. 1204.301. DEFINITIONS. In this subchapter:

9 (1) "Enrollee" means an individual who is enrolled in
10 a health benefit plan or otherwise entitled to coverage under a
11 health benefit plan.

12 (2) "Health benefit plan" means an individual, group,
13 blanket, or franchise insurance policy, a group hospital service
14 contract, or an individual or group subscriber contract or evidence
15 of coverage issued by a health maintenance organization, that
16 provides benefits for health care services. The term does not
17 include:

18 (A) the state Medicaid program, including the
19 Medicaid managed care program operated under Chapter 533,
20 Government Code;

21 (B) the child health plan program operated under
22 Chapter 62, Health and Safety Code; or

23 (C) Medicare benefits.

24 (3) "Health care service" means a service to diagnose,

1 prevent, alleviate, cure, or heal a human illness or injury that is
2 provided to an individual by a physician or other health care
3 provider.

4 (4) "Hospital" means a public or private institution
5 licensed under Chapter 241, Health and Safety Code. The term does
6 not include an ambulatory surgical center licensed under Chapter
7 243, Health and Safety Code.

8 Sec. 1204.302. APPLICABILITY TO CERTAIN PLANS. In addition
9 to the health benefit plans described by Section 1204.301,
10 notwithstanding any other law, this subchapter applies to:

11 (1) a basic coverage plan under Chapter 1551;

12 (2) a basic plan under Chapter 1575;

13 (3) a primary care coverage plan under Chapter 1579;

14 and

15 (4) a plan providing basic coverage under Chapter
16 1601.

17 Sec. 1204.303. PAYMENT IN LIEU OF CLAIM FOR BENEFITS; OTHER
18 DIRECT PAYMENTS. (a) At the request of a patient, including a
19 patient who is an enrollee, and subject to Subsection (b), a
20 hospital must accept directly from the patient full payment for a
21 health care service provided in the hospital. If the payment is
22 made by an enrollee, the hospital must accept that payment in lieu
23 of submitting a claim to the enrollee's health benefit plan.

24 (b) A request under Subsection (a) must be made not later
25 than the 60th day after the date on which the health care service is
26 provided.

27 (c) Notwithstanding Section 552.003 or any other law, the

1 amount of the payment for a health care service for which a hospital
2 accepts payment as described by Subsection (a) for a service
3 provided in the hospital may not exceed the lowest contracted rate
4 for the health care service that the hospital has agreed to accept
5 as payment in full as a contracted, preferred, or participating
6 provider of a health benefit plan.

7 SECTION 2. This Act takes effect September 1, 2023.