

By: Raney

H.B. No. 3985

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to an insurer's obligation under a preferred provider  
3 benefit plan for continuity of care for certain Medicaid  
4 recipients.

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

6 SECTION 1. Section 1301.154, Insurance Code, is amended by  
7 amending Subsection (a) and adding Subsection (c) to read as  
8 follows:

9 (a) Except as provided by Subsections [~~Subsection~~] (b) and  
10 (c), Sections 1301.152 and 1301.153 do not extend an insurer's  
11 obligation to reimburse the terminated physician or provider or, if  
12 applicable, the insured at the preferred provider level of coverage  
13 for ongoing treatment of an insured after:

14 (1) the 90th day after the [~~effective~~] date of the end  
15 of the contract [~~termination~~]; or

16 (2) if the insured has been diagnosed as having a  
17 terminal illness at the time of the termination, the expiration of  
18 the nine-month period after the effective date of the termination.

19 (c) If an insured is a Medicaid recipient with complex  
20 medical needs who receives Medicaid services through a Medicaid  
21 managed care organization under Chapter 533, Government Code, and  
22 who has established at any time a relationship with a specialty  
23 provider, including a provider of durable medical equipment,  
24 services, or supplies, an insurer's obligation to reimburse, at the

1 preferred provider level of coverage, the physician or provider or,  
2 if applicable, the insured, extends until a contract has been  
3 implemented under Section 533.038(g), Government Code.

4 SECTION 2. If before implementing any provision of this Act  
5 a state agency determines that a waiver or authorization from a  
6 federal agency is necessary for implementation of that provision,  
7 the agency affected by the provision shall request the waiver or  
8 authorization and may delay implementing that provision until the  
9 waiver or authorization is granted.

10 SECTION 3. The change in law made by this Act applies only  
11 to a health benefit plan that is delivered, issued for delivery, or  
12 renewed on or after January 1, 2024. A health benefit plan that is  
13 delivered, issued for delivery, or renewed before January 1, 2024,  
14 is governed by the law as it existed immediately before the  
15 effective date of this Act, and that law is continued in effect for  
16 that purpose.

17 SECTION 4. This Act takes effect September 1, 2023.