

By: Bonnen

H.B. No. 4773

A BILL TO BE ENTITLED

AN ACT

relating to unconditional designation of physicians as participating providers in a managed care plan

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

SECTION 1. Subtitle F, Title 8, Insurance Code, is amended by adding Chapter 1462 to read as follows:

CHAPTER 1462. UNCONDITIONAL DESIGNATION AS PREFERRED PROVIDER

Sec. 1462.001. DEFINITIONS. In this chapter:

(1) "Managed care plan" means a health benefit plan under which health care services are provided to enrollees through contracts with physicians and that requires enrollees to use participating physicians or that provides a different level of coverage for enrollees who use participating physicians. The term includes a health benefit plan issued by:

(A) a health maintenance organization;

(B) a preferred provider benefit plan issuer; or

(C) any other entity that issues a health benefit plan, including an insurance company.

(2) "Participating physician" means a physician who has directly or indirectly contracted with a health benefit plan issuer to provide services to enrollees.

(3) "Physician" means an individual licensed to practice medicine in this state. The term does not include an individual holding a license to practice administrative medicine under Section

1 155.009, Occupations Code.

2 Sec.1462.002. APPLICABILITY OF CHAPTER. (a)

3 Notwithstanding any other law, this chapter applies to:

- 4 (1) a basic coverage plan under Chapter 1551;
- 5 (2) a basic plan under Chapter 1575;
- 6 (3) a primary care coverage plan under Chapter 1579;
- 7 and
- 8 (4) a basic coverage under Chapter 1601.

9 (b) Notwithstanding any other law, this chapter applies to
10 coverage under:

- 11 (1) the child health plan program under Chapter 62,
12 Health and Safety Code; and
- 13 (2) a Medicaid managed care program operated under
14 Chapter 533, Government Code.

15 Sec. 1462.003. UNCONDITIONAL DESIGNATION AS PARTICIPATING
16 PHYSICIAN. Notwithstanding any other law, any physician may apply
17 for a designation as a participating provider in a managed care
18 plan, and the managed care plan issuer or administrator shall
19 designate the physician as a participating physician in the plan.

20 Sec. 1462.004. REQUIRED REIMBURSEMENT RATE. A managed care
21 plan shall reimburse a participating physician designated under
22 Section 1462.003 at a rate 90% of the highest contracted rate for
23 the same service.

24 SECTION 2. If before implementing any provision of this Act
25 a state agency determines that a waiver or authorization from a
26 federal agency is necessary for implementation of that provision,
27 the agency affected by the provision shall request the waiver or

1 authorization and may delay implementing that provision until the
2 waiver or authorization is granted.

3 SECTION 3. Chapter 1462, Insurance Code, as added by this
4 Act, applies only to a health benefit plan delivered, issued for
5 delivery, or renewed on or after January 1, 2024.

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