

By: Bonnen

H.B. No. 5186

Substitute the following for H.B. No. 5186:

By: Capriglione

C.S.H.B. No. 5186

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the establishment of the state health benefit plan
3 reimbursement review board and the reimbursement for health care
4 services or supplies provided under certain state-funded health
5 benefit plans.

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

7 SECTION 1. Subtitle C, Title 3, Government Code, is amended
8 by adding Chapter 331 to read as follows:

9 CHAPTER 331. STATE HEALTH BENEFIT PLAN REIMBURSEMENT REVIEW BOARD

10 Sec. 331.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the state health benefit plan
12 reimbursement review board.

13 (2) "Enrollee" means an individual entitled to health
14 benefit coverage under a state health benefit plan.

15 (3) "Facility" means:

16 (A) a hospital;

17 (B) an ambulatory surgical center licensed under
18 Chapter 243, Health and Safety Code;

19 (C) a birthing center; or

20 (D) a freestanding emergency medical care
21 facility, as defined by Section 254.001, Health and Safety Code,
22 including a freestanding emergency medical care facility that is
23 exempt from the licensing requirements of Chapter 254, Health and
24 Safety Code, under Section 254.052(8), Health and Safety Code.

1 (4) "State health benefit plan" means a health benefit
2 plan provided under Chapter 1551, 1575, 1579, or 1601, Insurance
3 Code.

4 Sec. 331.002. ESTABLISHMENT; PURPOSE. The state health
5 benefit plan reimbursement review board is established for the
6 purpose of controlling present and future cost growth for state
7 health benefit plans while maintaining access for enrollees to
8 high-quality health care services and supplies.

9 Sec. 331.003. MEMBERSHIP. (a) The board consists of:

10 (1) the lieutenant governor;

11 (2) the speaker of the house of representatives;

12 (3) the chair of the senate finance committee;

13 (4) the chair of the house appropriations committee;

14 (5) three members of the senate appointed by the
15 lieutenant governor; and

16 (6) three members of the house appointed by the
17 speaker.

18 (b) The lieutenant governor and the speaker of the house of
19 representatives are joint chairs of the board.

20 Sec. 331.004. QUORUM; MEETINGS. (a) A majority of the
21 members of the board from each house constitutes a quorum to
22 transact business. If a quorum is present, the board may act on any
23 matter that is within its jurisdiction by a majority vote.

24 (b) The board shall meet as often as necessary to perform
25 the board's duties. Meetings may be held at any time at the request
26 of either of the joint chairs of the board.

27 (c) The board shall meet in Austin, except that if a

1 majority of the members of the board from each house agree, the
2 board may meet in any location determined by the board.

3 (d) As an exception to Chapter 551 and other law, if a
4 meeting is located in Austin and the joint chairs of the board are
5 physically present at the meeting, then any number of the other
6 members of the board may attend the meeting by use of telephone
7 conference call, video conference call, or other similar
8 telecommunication device. This subsection applies for purposes of
9 constituting a quorum, for purposes of voting, and for any other
10 purpose allowing a member of the board to otherwise fully
11 participate in any meeting of the board. This subsection applies
12 without exception with regard to the subject of the meeting or
13 topics considered by the members.

14 (e) A meeting held by use of telephone conference call,
15 video conference call, or other similar telecommunication device:

16 (1) is subject to the notice requirements applicable
17 to other meetings;

18 (2) must specify in the notice of the meeting the
19 location in Austin of the meeting at which the joint chairs will be
20 physically present;

21 (3) must be open to the public and shall be audible to
22 the public at the location in Austin specified in the notice of the
23 meeting as the location of the meeting at which the joint chairs
24 will be physically present; and

25 (4) must provide two-way audio communication between
26 all members of the board attending the meeting during the entire
27 meeting, and if the two-way audio communication link with any

1 member attending the meeting is disrupted at any time, the meeting
2 may not continue until the two-way audio communication link is
3 reestablished.

4 Sec. 331.005. DUTY TO ADOPT REIMBURSEMENT STRUCTURE. The
5 board shall adopt a provider reimbursement structure, regardless of
6 methodology, that each state health benefit plan will use to
7 determine reimbursement to a facility for a health care service or
8 supply, determined by provider type and class and according to
9 whether the facility is an in-network or out-of-network facility.
10 The board may not adopt a reimbursement structure that is in excess
11 of the aggregated provider reimbursement, regardless of
12 methodology, reported by participating state health benefit plans
13 under Section 331.006 for that health care service or supply.

14 Sec. 331.006. REPORTS BY STATE HEALTH BENEFIT PLANS. (a)
15 Each state health benefit plan shall submit to the board in the form
16 and manner prescribed by the board a report that includes:

17 (1) information on reimbursements and costs for
18 applicable provider types and classes paid by that plan during the
19 preceding plan year;

20 (2) recommendations to the board regarding the
21 provider reimbursement structure to be adopted by the board; and

22 (3) a summary of public comments received by the plan
23 on the recommendations provided to the board under Subdivision (2).

24 (b) Each state health benefit plan shall, before submitting
25 the report required under Subsection (a), allow for public comment
26 on the plan's recommendations to be submitted under that
27 subsection.

1 Sec. 331.007. REIMBURSEMENT STRUCTURE REPORT. (a) The
2 board shall analyze the reports submitted under Section 331.006,
3 including the recommendations provided, and issue a report on the
4 reimbursement structure for state health benefit plans. The report
5 issued by the board must:

6 (1) establish a provider reimbursement structure,
7 regardless of methodology, in accordance with Section 331.005 that
8 provides for reimbursement that a facility that provides health
9 care services or supplies to an enrollee under a state health
10 benefit plan will receive for those health care services or
11 supplies and specify any other requirements or limitations related
12 to reimbursement;

13 (2) be made publicly available on an Internet website;
14 and

15 (3) specify that the reimbursement structure in the
16 report is applicable to each state health benefit plan for each plan
17 year beginning after the date the report is issued until the plan
18 year beginning after the date a later report is issued under this
19 subsection.

20 (b) The reimbursement structure adopted by the board's
21 report under Subsection (a) is applicable to a state health benefit
22 plan for each plan year beginning after the date the report is
23 issued until the plan year beginning after the date a later report
24 is issued under Subsection (a).

25 SECTION 2. Subchapter A, Chapter 1551, Insurance Code, is
26 amended by adding Section 1551.016 to read as follows:

27 Sec. 1551.016. REIMBURSEMENT STRUCTURE FOR FACILITIES. (a)

1 In this section:

2 (1) "Facility" has the meaning assigned by Section
3 331.001, Government Code.

4 (2) "Review board" means the state health benefit plan
5 reimbursement review board established under Chapter 331,
6 Government Code.

7 (b) Notwithstanding any other law or a provision of a
8 contract to the contrary, and subject to limitations imposed by the
9 General Appropriations Act, a facility that bills the group
10 benefits program, an administering firm, or a health benefit plan
11 provided under this chapter, or a designee of the program, firm, or
12 plan, for a health care service or supply provided to a plan
13 enrollee must be reimbursed for the health care service or supply in
14 accordance with the reimbursement structure adopted for the service
15 or supply by the review board for the applicable plan year.

16 (c) A facility that receives reimbursement for a health care
17 service or supply as provided by Subsection (b) must consider that
18 reimbursement as payment in full for the service or supply. Except
19 as provided by this subsection, the facility may not charge an
20 enrollee to recover from the enrollee the balance of the facility's
21 fee for a service or supply received by the enrollee from the
22 facility that is not fully reimbursed under Subsection (b). The
23 facility may charge the enrollee an applicable copayment,
24 coinsurance, or deductible under the enrollee's health benefit
25 plan.

26 (d) A facility may not discriminate against an enrollee or
27 the group benefits program based on the limitation on reimbursement

1 under Subsection (b) by:

2 (1) refusing to provide health care services or
3 supplies to the enrollee; or

4 (2) providing health care services or supplies of a
5 lower quality to the enrollee than those the facility provides to
6 similar patients who are not enrolled in a health benefit plan under
7 this chapter.

8 SECTION 3. Subchapter A, Chapter 1575, Insurance Code, is
9 amended by adding Section 1575.011 to read as follows:

10 Sec. 1575.011. REIMBURSEMENT STRUCTURE FOR FACILITIES. (a)
11 In this section:

12 (1) "Facility" has the meaning assigned by Section
13 331.001, Government Code.

14 (2) "Review board" means the state health benefit plan
15 reimbursement review board established under Chapter 331,
16 Government Code.

17 (b) Notwithstanding any other law or a provision of a
18 contract to the contrary, and subject to limitations imposed by the
19 General Appropriations Act, a facility that bills the group
20 program, an administrator of a health benefit plan provided under
21 this chapter, or a health benefit plan provided under this chapter,
22 or a designee of the program, administrator, or plan, for a health
23 care service or supply provided to a plan enrollee must be
24 reimbursed for the health care service or supply in accordance with
25 the reimbursement structure adopted for the service or supply by
26 the review board for the applicable plan year.

27 (c) A facility that receives reimbursement for a health care

1 service or supply as provided by Subsection (b) must consider that
2 reimbursement as payment in full for the service or supply. Except
3 as provided by this subsection, the facility may not charge an
4 enrollee to recover from the enrollee the balance of the facility's
5 fee for a service or supply received by the enrollee from the
6 facility that is not fully reimbursed under Subsection (b). The
7 facility may charge the enrollee an applicable copayment,
8 coinsurance, or deductible under the enrollee's health benefit
9 plan.

10 (d) A facility may not discriminate against an enrollee or
11 the group program based on the limitation on reimbursement under
12 Subsection (b) by:

13 (1) refusing to provide health care services or
14 supplies to the enrollee; or

15 (2) providing health care services or supplies of a
16 lower quality to the enrollee than those the facility provides to
17 similar patients who are not enrolled in a health benefit plan under
18 this chapter.

19 SECTION 4. Subchapter A, Chapter 1579, Insurance Code, is
20 amended by adding Section 1579.011 to read as follows:

21 Sec. 1579.011. REIMBURSEMENT STRUCTURE FOR FACILITIES. (a)
22 In this section:

23 (1) "Facility" has the meaning assigned by Section
24 331.001, Government Code.

25 (2) "Review board" means the state health benefit plan
26 reimbursement review board established under Chapter 331,
27 Government Code.

1 (b) Notwithstanding any other law or a provision of a
2 contract to the contrary, and subject to limitations imposed by the
3 General Appropriations Act, a facility that bills the program, an
4 administering firm, or a health coverage plan provided under this
5 chapter, or a designee of the program, firm, or plan, for a health
6 care service or supply provided to a plan enrollee must be
7 reimbursed for the health care service or supply in accordance with
8 the reimbursement structure adopted for the service or supply by
9 the review board for the applicable plan year.

10 (c) A facility that receives reimbursement for a health care
11 service or supply as provided by Subsection (b) must consider that
12 reimbursement as payment in full for the service or supply. Except
13 as provided by this subsection, the facility may not charge an
14 enrollee to recover from the enrollee the balance of the facility's
15 fee for a service or supply received by the enrollee from the
16 facility that is not fully reimbursed under Subsection (b). The
17 facility may charge the enrollee an applicable copayment,
18 coinsurance, or deductible under the enrollee's health coverage
19 plan.

20 (d) A facility may not discriminate against an enrollee or
21 the program based on the limitation on reimbursement under
22 Subsection (b) by:

23 (1) refusing to provide health care services or
24 supplies to the enrollee; or

25 (2) providing health care services or supplies of a
26 lower quality to the enrollee than those the facility provides to
27 similar patients who are not enrolled in a health coverage plan

1 under this chapter.

2 SECTION 5. Subchapter A, Chapter 1601, Insurance Code, is
3 amended by adding Section 1601.012 to read as follows:

4 Sec. 1601.012. REIMBURSEMENT STRUCTURE FOR FACILITIES. (a)

5 In this section:

6 (1) "Facility" has the meaning assigned by Section
7 331.001, Government Code.

8 (2) "Review board" means the state health benefit plan
9 reimbursement review board established under Chapter 331,
10 Government Code.

11 (b) Notwithstanding any other law or a provision of a
12 contract to the contrary, and subject to limitations imposed by the
13 General Appropriations Act, a facility that bills the uniform
14 program, an administering carrier, or a health benefit plan
15 provided under this chapter, or a designee of the program, carrier,
16 or plan, for a health care service or supply provided to a plan
17 enrollee must be reimbursed for the health care service or supply in
18 accordance with the reimbursement structure adopted for the service
19 or supply by the review board for the applicable plan year.

20 (c) A facility that receives reimbursement for a health care
21 service or supply as provided by Subsection (b) must consider that
22 reimbursement as payment in full for the service or supply. Except
23 as provided by this subsection, the facility may not charge an
24 enrollee to recover from the enrollee the balance of the facility's
25 fee for a service or supply received by the enrollee from the
26 facility that is not fully reimbursed under Subsection (b). The
27 facility may charge the enrollee an applicable copayment,

1 coinsurance, or deductible under the enrollee's health benefit
2 plan.

3 (d) A facility may not discriminate against an enrollee or
4 the uniform program based on the limitation on reimbursement under
5 Subsection (b) by:

6 (1) refusing to provide health care services or
7 supplies to the enrollee; or

8 (2) providing health care services or supplies of a
9 lower quality to the enrollee than those the facility provides to
10 similar patients who are not enrolled in a health benefit plan under
11 this chapter.

12 SECTION 6. The changes in law made by this Act apply only
13 to:

14 (1) a plan year beginning on or after September 1,
15 2024; and

16 (2) a contract entered into or renewed on or after
17 September 1, 2023.

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