

By: Hughes, et al. S.B. No. 490
(Harris of Williamson, Klick, Frank, Campos, Collier, et al.)

Substitute the following for S.B. No. 490:

By: Klick C.S.S.B. No. 490

A BILL TO BE ENTITLED

AN ACT

1
2 relating to itemized billing for health care services and supplies
3 provided by health care providers; authorizing an administrative
4 penalty.

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

6 SECTION 1. Title 2, Health and Safety Code, is amended by
7 adding Subtitle J to read as follows:

8 SUBTITLE J. PAYMENT FOR HEALTH CARE SERVICES AND SUPPLIES

9 CHAPTER 185. HEALTH CARE BILLING

10 Sec. 185.001. DEFINITIONS. In this chapter:

11 (1) "Debt collection" has the meaning assigned by
12 Section 392.001, Finance Code.

13 (2) "Health care provider" means an individual or
14 facility licensed, certified, or otherwise authorized to provide
15 health care services or supplies in this state in the ordinary
16 course of business or professional practice, including a physician
17 or a hospital.

18 (3) "Health care service" means a service a health
19 care provider provides to an individual to diagnose, prevent,
20 treat, alleviate, cure, or heal a human health condition, illness,
21 injury, or disease.

22 Sec. 185.002. ITEMIZED BILL REQUIRED. (a) A health care
23 provider that requests payment from a patient after providing a
24 health care service or related supply to the patient shall submit

1 with the request a written, itemized bill of the alleged cost of
2 each service and supply provided to the patient during the
3 patient's visit to the provider. The provider must submit the
4 itemized bill not later than the 30th day after the provider
5 receives a final payment on the provided service or supply from a
6 third party.

7 (b) The itemized bill must include:

8 (1) a plain language description of each distinct
9 health care service or supply the health care provider provided to
10 the patient;

11 (2) if the provider sought or is seeking reimbursement
12 from a third party, any billing code submitted to the third party
13 and the amounts billed to and paid by that third party; and

14 (3) the amount the provider alleges is due from the
15 patient for each service and supply provided to the patient.

16 (c) A health care provider may issue the itemized bill
17 electronically, including through a patient portal on the
18 provider's Internet website.

19 (d) A patient is entitled to obtain from the health care
20 provider an itemized bill on request at any time after the itemized
21 bill is initially issued under Subsection (a).

22 (e) A health care provider may not pursue debt collection
23 against a patient for a provided health care service or supply
24 unless the provider has complied with this section.

25 Sec. 185.003. ADMINISTRATIVE PENALTY AND OTHER
26 DISCIPLINARY ACTION BY LICENSING AUTHORITY. The appropriate
27 licensing authority shall impose an administrative penalty against

1 a health care provider that violates this chapter in the amount of
2 \$1,000 for each violation and may also take other disciplinary
3 action against the provider for the violation as if the provider
4 violated an applicable licensing law.

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