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West

S.B. No. 2476

A BILL TO BE ENTITLED

AN ACT

relating to consumer protections against certain medical and health care billing by emergency medical services providers.

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

SECTION 1. Subchapter A, Chapter 38, Insurance Code, is amended by adding Section 38.006 to read as follows:

Sec. 38.006. EMERGENCY MEDICAL SERVICES PROVIDER BALANCE BILLING RATE DATABASE. (a) A political subdivision may submit to the department a rate set, controlled, or regulated by the political subdivision for purposes of Section 1271.159, 1275.054, 1301.166, 1551.231, 1575.174, or 1579.112. The department shall establish and maintain on the department's Internet website a publicly accessible database for the rates.

(b) This section expires September 1, 2025.

SECTION 2. (a) Section 1271.008, Insurance Code, is amended to read as follows:

Sec. 1271.008. BALANCE BILLING PROHIBITION NOTICE. (a) A health maintenance organization shall provide written notice in accordance with this section in an explanation of benefits provided to the enrollee and the physician or provider in connection with a health care service or supply or transport provided by a non-network physician or provider. The notice must include:

(1) a statement of the billing prohibition under Section 1271.155, 1271.157, ~~[or]~~ 1271.158, or 1271.159, as

1 applicable;

2 (2) the total amount the physician or provider may  
3 bill the enrollee under the enrollee's health benefit plan and an  
4 itemization of copayments, coinsurance, deductibles, and other  
5 amounts included in that total; and

6 (3) for an explanation of benefits provided to the  
7 physician or provider, information required by commissioner rule  
8 advising the physician or provider of the availability of mediation  
9 or arbitration, as applicable, under Chapter 1467.

10 (b) A health maintenance organization shall provide the  
11 explanation of benefits with the notice required by this section to  
12 a physician or health care provider not later than the date the  
13 health maintenance organization makes a payment under Section  
14 [1271.155](#), [1271.157](#), [~~or~~] [1271.158](#), or 1271.159, as applicable.

15 (b) Effective September 1, 2025, Section [1271.008](#),  
16 Insurance Code, is amended to read as follows:

17 Sec. 1271.008. BALANCE BILLING PROHIBITION NOTICE. (a) A  
18 health maintenance organization shall provide written notice in  
19 accordance with this section in an explanation of benefits provided  
20 to the enrollee and the physician or provider in connection with a  
21 health care service or supply provided by a non-network physician  
22 or provider. The notice must include:

23 (1) a statement of the billing prohibition under  
24 Section [1271.155](#), [1271.157](#), or [1271.158](#), as applicable;

25 (2) the total amount the physician or provider may  
26 bill the enrollee under the enrollee's health benefit plan and an  
27 itemization of copayments, coinsurance, deductibles, and other

1 amounts included in that total; and

2 (3) for an explanation of benefits provided to the  
3 physician or provider, information required by commissioner rule  
4 advising the physician or provider of the availability of mediation  
5 or arbitration, as applicable, under Chapter 1467.

6 (b) A health maintenance organization shall provide the  
7 explanation of benefits with the notice required by this section to  
8 a physician or health care provider not later than the date the  
9 health maintenance organization makes a payment under Section  
10 1271.155, 1271.157, or 1271.158, as applicable.

11 SECTION 3. Subchapter D, Chapter 1271, Insurance Code, is  
12 amended by adding Section 1271.159 to read as follows:

13 Sec. 1271.159. NON-NETWORK EMERGENCY MEDICAL SERVICES  
14 PROVIDER. (a) In this section, "emergency medical services  
15 provider" has the meaning assigned by Section 773.003, Health and  
16 Safety Code, except that the term does not include an air ambulance.

17 (b) Except as provided by Subsection (c), a health  
18 maintenance organization shall pay for a covered health care  
19 service performed for, or a covered supply or covered transport  
20 related to that service provided to, an enrollee by a non-network  
21 emergency medical services provider at:

22 (1) if the political subdivision has submitted the  
23 rate to the department under Section 38.006, the rate set,  
24 controlled, or regulated by the political subdivision in which:

25 (A) the service originated; or

26 (B) the transport originated if transport is  
27 provided; or

1           (2) if the political subdivision has not submitted the  
2 rate to the department, the lesser of:

3                   (A) the provider's billed charge; or

4                   (B) 325 percent of the current Medicare rate,  
5 including any applicable extenders and modifiers.

6           (c) A health maintenance organization shall adjust a  
7 payment required by Subsection (b)(1) each plan year by increasing  
8 the payment by the lesser of the Medicare Inflation Index or 10  
9 percent of the provider's previous calendar year rates.

10           (d) The health maintenance organization shall make a  
11 payment required by this section directly to the provider not later  
12 than, as applicable:

13                   (1) the 30th day after the date the health maintenance  
14 organization receives an electronic clean claim as defined by  
15 Section 843.336 for those services that includes all information  
16 necessary for the health maintenance organization to pay the claim;  
17 or

18                   (2) the 45th day after the date the health maintenance  
19 organization receives a nonelectronic clean claim as defined by  
20 Section 843.336 for those services that includes all information  
21 necessary for the health maintenance organization to pay the claim.

22           (e) A non-network emergency medical services provider or a  
23 person asserting a claim as an agent or assignee of the provider may  
24 not bill an enrollee receiving a health care service or supply or  
25 transport described by Subsection (b) in, and the enrollee does not  
26 have financial responsibility for, an amount greater than an  
27 applicable copayment, coinsurance, and deductible under the

1 enrollee's health care plan that is based on:

2 (1) the amount initially determined payable by the  
3 health maintenance organization; or

4 (2) if applicable, a modified amount as determined  
5 under the health maintenance organization's internal appeal  
6 process.

7 (f) This section may not be construed to require the  
8 imposition of a penalty under Section 843.342.

9 (g) This section expires September 1, 2025.

10 SECTION 4. (a) Section 1275.003, Insurance Code, is  
11 amended to read as follows:

12 Sec. 1275.003. BALANCE BILLING PROHIBITION NOTICE. (a)  
13 The administrator of a health benefit plan to which this chapter  
14 applies shall provide written notice in accordance with this  
15 section in an explanation of benefits provided to the enrollee and  
16 the physician or health care provider in connection with a health  
17 care or medical service or supply or transport provided by an  
18 out-of-network provider. The notice must include:

19 (1) a statement of the billing prohibition under  
20 Section 1275.051, 1275.052, [~~or~~] 1275.053, or 1275.054, as  
21 applicable;

22 (2) the total amount the physician or provider may  
23 bill the enrollee under the enrollee's health benefit plan and an  
24 itemization of copayments, coinsurance, deductibles, and other  
25 amounts included in that total; and

26 (3) for an explanation of benefits provided to the  
27 physician or provider, information required by commissioner rule

1 advising the physician or provider of the availability of mediation  
2 or arbitration, as applicable, under Chapter 1467.

3 (b) The administrator shall provide the explanation of  
4 benefits with the notice required by this section to a physician or  
5 health care provider not later than the date the administrator  
6 makes a payment under Section 1275.051, 1275.052, [~~or~~] 1275.053, or  
7 1275.054, as applicable.

8 (b) Effective September 1, 2025, Section 1275.003,  
9 Insurance Code, is amended to read as follows:

10 Sec. 1275.003. BALANCE BILLING PROHIBITION NOTICE. (a)  
11 The administrator of a health benefit plan to which this chapter  
12 applies shall provide written notice in accordance with this  
13 section in an explanation of benefits provided to the enrollee and  
14 the physician or health care provider in connection with a health  
15 care or medical service or supply provided by an out-of-network  
16 provider. The notice must include:

17 (1) a statement of the billing prohibition under  
18 Section 1275.051, 1275.052, or 1275.053, as applicable;

19 (2) the total amount the physician or provider may  
20 bill the enrollee under the enrollee's health benefit plan and an  
21 itemization of copayments, coinsurance, deductibles, and other  
22 amounts included in that total; and

23 (3) for an explanation of benefits provided to the  
24 physician or provider, information required by commissioner rule  
25 advising the physician or provider of the availability of mediation  
26 or arbitration, as applicable, under Chapter 1467.

27 (b) The administrator shall provide the explanation of

1 benefits with the notice required by this section to a physician or  
2 health care provider not later than the date the administrator  
3 makes a payment under Section 1275.051, 1275.052, or 1275.053, as  
4 applicable.

5 SECTION 5. Subchapter B, Chapter 1275, Insurance Code, is  
6 amended by adding Section 1275.054 to read as follows:

7 Sec. 1275.054. OUT-OF-NETWORK EMERGENCY MEDICAL SERVICES  
8 PROVIDER PAYMENTS. (a) In this section, "emergency medical  
9 services provider" has the meaning assigned by Section 773.003,  
10 Health and Safety Code, except that the term does not include an air  
11 ambulance.

12 (b) Except as provided by Subsection (c), the administrator  
13 of a health benefit plan to which this chapter applies shall pay for  
14 a covered health care or medical service performed for, or a covered  
15 supply or covered transport related to that service provided to, an  
16 enrollee by an out-of-network provider who is an emergency medical  
17 services provider at:

18 (1) if the political subdivision has submitted the  
19 rate to the department under Section 38.006, the rate set,  
20 controlled, or regulated by the political subdivision in which:

21 (A) the service originated; or  
22 (B) the transport originated if transport is  
23 provided; or

24 (2) if the political subdivision has not submitted the  
25 rate to the department, the lesser of:

26 (A) the provider's billed charge; or  
27 (B) 325 percent of the current Medicare rate,

1 including any applicable extenders and modifiers.

2 (c) The administrator shall adjust a payment required by  
3 Subsection (b)(1) each plan year by increasing the payment by the  
4 lesser of the Medicare Inflation Index or 10 percent of the  
5 provider's previous calendar year rates.

6 (d) The administrator shall make a payment required by this  
7 section directly to the provider not later than, as applicable:

8 (1) the 30th day after the date the administrator  
9 receives an electronic claim for those services that includes all  
10 information necessary for the administrator to pay the claim; or

11 (2) the 45th day after the date the administrator  
12 receives a nonelectronic claim for those services that includes all  
13 information necessary for the administrator to pay the claim.

14 (e) An out-of-network provider who is an emergency medical  
15 services provider or a person asserting a claim as an agent or  
16 assignee of the provider may not bill an enrollee receiving a health  
17 care or medical service or supply or transport described by  
18 Subsection (b) in, and the enrollee does not have financial  
19 responsibility for, an amount greater than an applicable copayment,  
20 coinsurance, and deductible under the enrollee's health benefit  
21 plan that is based on:

22 (1) the amount initially determined payable by the  
23 administrator; or

24 (2) if applicable, the modified amount as determined  
25 under the administrator's internal appeal process.

26 (f) This section expires September 1, 2025.

27 SECTION 6. (a) Section [1301.0045](#)(b), Insurance Code, is



1 amended to read as follows:

2 (b) Except as provided by Sections 1301.0052, 1301.0053,  
3 1301.155, 1301.164, [~~and~~] 1301.165, and 1301.166, this chapter may  
4 not be construed to require an exclusive provider benefit plan to  
5 compensate a nonpreferred provider for services provided to an  
6 insured.

7 (b) Effective September 1, 2025, Section 1301.0045(b),  
8 Insurance Code, is amended to read as follows:

9 (b) Except as provided by Sections 1301.0052, 1301.0053,  
10 1301.155, 1301.164, and 1301.165, this chapter may not be construed  
11 to require an exclusive provider benefit plan to compensate a  
12 nonpreferred provider for services provided to an insured.

13 SECTION 7. (a) Section 1301.010, Insurance Code, is  
14 amended to read as follows:

15 Sec. 1301.010. BALANCE BILLING PROHIBITION NOTICE. (a) An  
16 insurer shall provide written notice in accordance with this  
17 section in an explanation of benefits provided to the insured and  
18 the physician or health care provider in connection with a medical  
19 care or health care service or supply or transport provided by an  
20 out-of-network provider. The notice must include:

21 (1) a statement of the billing prohibition under  
22 Section 1301.0053, 1301.155, 1301.164, [~~or~~] 1301.165, or 1301.166,  
23 as applicable;

24 (2) the total amount the physician or provider may  
25 bill the insured under the insured's preferred provider benefit  
26 plan and an itemization of copayments, coinsurance, deductibles,  
27 and other amounts included in that total; and

1 (3) for an explanation of benefits provided to the  
2 physician or provider, information required by commissioner rule  
3 advising the physician or provider of the availability of mediation  
4 or arbitration, as applicable, under Chapter 1467.

5 (b) An insurer shall provide the explanation of benefits  
6 with the notice required by this section to a physician or health  
7 care provider not later than the date the insurer makes a payment  
8 under Section 1301.0053, 1301.155, 1301.164, [~~or~~] 1301.165, or  
9 1301.166, as applicable.

10 (b) Effective September 1, 2025, Section 1301.010,  
11 Insurance Code, is amended to read as follows:

12 Sec. 1301.010. BALANCE BILLING PROHIBITION NOTICE. (a) An  
13 insurer shall provide written notice in accordance with this  
14 section in an explanation of benefits provided to the insured and  
15 the physician or health care provider in connection with a medical  
16 care or health care service or supply provided by an out-of-network  
17 provider. The notice must include:

18 (1) a statement of the billing prohibition under  
19 Section 1301.0053, 1301.155, 1301.164, or 1301.165, as applicable;

20 (2) the total amount the physician or provider may  
21 bill the insured under the insured's preferred provider benefit  
22 plan and an itemization of copayments, coinsurance, deductibles,  
23 and other amounts included in that total; and

24 (3) for an explanation of benefits provided to the  
25 physician or provider, information required by commissioner rule  
26 advising the physician or provider of the availability of mediation  
27 or arbitration, as applicable, under Chapter 1467.

1 (b) An insurer shall provide the explanation of benefits  
2 with the notice required by this section to a physician or health  
3 care provider not later than the date the insurer makes a payment  
4 under Section 1301.0053, 1301.155, 1301.164, or 1301.165, as  
5 applicable.

6 SECTION 8. Subchapter D, Chapter 1301, Insurance Code, is  
7 amended by adding Section 1301.166 to read as follows:

8 Sec. 1301.166. OUT-OF-NETWORK EMERGENCY MEDICAL SERVICES  
9 PROVIDER. (a) In this section, "emergency medical services  
10 provider" has the meaning assigned by Section 773.003, Health and  
11 Safety Code, except that the term does not include an air ambulance.

12 (b) Except as provided by Subsection (c), an insurer shall  
13 pay for a covered medical care or health care service performed for,  
14 or a covered supply or covered transport related to that service  
15 provided to, an insured by an out-of-network provider who is an  
16 emergency medical services provider at:

17 (1) if the political subdivision has submitted the  
18 rate to the department under Section 38.006, the rate set,  
19 controlled, or regulated by the political subdivision in which:

20 (A) the service originated; or

21 (B) the transport originated if transport is  
22 provided; or

23 (2) if the political subdivision has not submitted the  
24 rate to the department, the lesser of:

25 (A) the provider's billed charge; or

26 (B) 325 percent of the current Medicare rate,  
27 including any applicable extenders and modifiers.

1       (c) An insurer shall adjust a payment required by Subsection  
2 (b)(1) each plan year by increasing the payment by the lesser of the  
3 Medicare Inflation Index or 10 percent of the provider's previous  
4 calendar year rates.

5       (d) The insurer shall make a payment required by this  
6 section directly to the provider not later than, as applicable:

7           (1) the 30th day after the date the insurer receives an  
8 electronic clean claim as defined by Section 1301.101 for those  
9 services that includes all information necessary for the insurer to  
10 pay the claim; or

11           (2) the 45th day after the date the insurer receives a  
12 nonelectronic clean claim as defined by Section 1301.101 for those  
13 services that includes all information necessary for the insurer to  
14 pay the claim.

15       (e) An out-of-network provider who is an emergency medical  
16 services provider or a person asserting a claim as an agent or  
17 assignee of the provider may not bill an insured receiving a medical  
18 care or health care service or supply or transport described by  
19 Subsection (b) in, and the insured does not have financial  
20 responsibility for, an amount greater than an applicable copayment,  
21 coinsurance, and deductible under the insured's preferred provider  
22 benefit plan that is based on:

23           (1) the amount initially determined payable by the  
24 insurer; or

25           (2) if applicable, the modified amount as determined  
26 under the insurer's internal appeal process.

27       (f) This section may not be construed to require the

1 imposition of a penalty under Section 1301.137.

2 (g) This section expires September 1, 2025.

3 SECTION 9. (a) Section 1551.015, Insurance Code, is  
4 amended to read as follows:

5 Sec. 1551.015. BALANCE BILLING PROHIBITION NOTICE. (a)  
6 The administrator of a managed care plan provided under the group  
7 benefits program shall provide written notice in accordance with  
8 this section in an explanation of benefits provided to the  
9 participant and the physician or health care provider in connection  
10 with a health care or medical service or supply or transport  
11 provided by an out-of-network provider. The notice must include:

12 (1) a statement of the billing prohibition under  
13 Section 1551.228, 1551.229, [~~or~~] 1551.230, or 1551.231, as  
14 applicable;

15 (2) the total amount the physician or provider may  
16 bill the participant under the participant's managed care plan and  
17 an itemization of copayments, coinsurance, deductibles, and other  
18 amounts included in that total; and

19 (3) for an explanation of benefits provided to the  
20 physician or provider, information required by commissioner rule  
21 advising the physician or provider of the availability of mediation  
22 or arbitration, as applicable, under Chapter 1467.

23 (b) The administrator shall provide the explanation of  
24 benefits with the notice required by this section to a physician or  
25 health care provider not later than the date the administrator  
26 makes a payment under Section 1551.228, 1551.229, [~~or~~] 1551.230, or  
27 1551.231, as applicable.

1 (b) Effective September 1, 2025, Section 1551.015,  
2 Insurance Code, is amended to read as follows:

3 Sec. 1551.015. BALANCE BILLING PROHIBITION NOTICE. (a)  
4 The administrator of a managed care plan provided under the group  
5 benefits program shall provide written notice in accordance with  
6 this section in an explanation of benefits provided to the  
7 participant and the physician or health care provider in connection  
8 with a health care or medical service or supply provided by an  
9 out-of-network provider. The notice must include:

10 (1) a statement of the billing prohibition under  
11 Section 1551.228, 1551.229, or 1551.230, as applicable;

12 (2) the total amount the physician or provider may  
13 bill the participant under the participant's managed care plan and  
14 an itemization of copayments, coinsurance, deductibles, and other  
15 amounts included in that total; and

16 (3) for an explanation of benefits provided to the  
17 physician or provider, information required by commissioner rule  
18 advising the physician or provider of the availability of mediation  
19 or arbitration, as applicable, under Chapter 1467.

20 (b) The administrator shall provide the explanation of  
21 benefits with the notice required by this section to a physician or  
22 health care provider not later than the date the administrator  
23 makes a payment under Section 1551.228, 1551.229, or 1551.230, as  
24 applicable.

25 SECTION 10. Subchapter E, Chapter 1551, Insurance Code, is  
26 amended by adding Section 1551.231 to read as follows:

27 Sec. 1551.231. OUT-OF-NETWORK EMERGENCY MEDICAL SERVICES

1 PROVIDER PAYMENTS. (a) In this section, "emergency medical  
2 services provider" has the meaning assigned by Section 773.003,  
3 Health and Safety Code, except that the term does not include an air  
4 ambulance.

5 (b) Except as provided by Subsection (c), the administrator  
6 of a managed care plan provided under the group benefits program  
7 shall pay for a covered health care or medical service performed  
8 for, or a covered supply or covered transport related to that  
9 service provided to, a participant by an out-of-network provider  
10 who is an emergency medical services provider at:

11 (1) if the political subdivision has submitted the  
12 rate to the department under Section 38.006, the rate set,  
13 controlled, or regulated by the political subdivision in which:

14 (A) the service originated; or

15 (B) the transport originated if transport is  
16 provided; or

17 (2) if the political subdivision has not submitted the  
18 rate to the department, the lesser of:

19 (A) the provider's billed charge; or

20 (B) 325 percent of the current Medicare rate,  
21 including any applicable extenders and modifiers.

22 (c) The administrator shall adjust a payment required by  
23 Subsection (b)(1) each plan year by increasing the payment by the  
24 lesser of the Medicare Inflation Index or 10 percent of the  
25 provider's previous calendar year rates.

26 (d) The administrator shall make a payment required by this  
27 section directly to the provider not later than, as applicable:

1           (1) the 30th day after the date the administrator  
2 receives an electronic claim for those services that includes all  
3 information necessary for the administrator to pay the claim; or

4           (2) the 45th day after the date the administrator  
5 receives a nonelectronic claim for those services that includes all  
6 information necessary for the administrator to pay the claim.

7           (e) An out-of-network provider who is an emergency medical  
8 services provider or a person asserting a claim as an agent or  
9 assignee of the provider may not bill a participant receiving a  
10 health care or medical service or supply or transport described by  
11 Subsection (b) in, and the participant does not have financial  
12 responsibility for, an amount greater than an applicable copayment,  
13 coinsurance, and deductible under the participant's managed care  
14 plan that is based on:

15           (1) the amount initially determined payable by the  
16 administrator; or

17           (2) if applicable, the modified amount as determined  
18 under the administrator's internal appeal process.

19           (f) This section expires September 1, 2025.

20           SECTION 11. (a) Section [1575.009](#), Insurance Code, is  
21 amended to read as follows:

22           Sec. 1575.009. BALANCE BILLING PROHIBITION NOTICE. (a)  
23 The administrator of a managed care plan provided under the group  
24 program shall provide written notice in accordance with this  
25 section in an explanation of benefits provided to the enrollee and  
26 the physician or health care provider in connection with a health  
27 care or medical service or supply or transport provided by an



1 out-of-network provider. The notice must include:

2 (1) a statement of the billing prohibition under  
3 Section [1575.171](#), [1575.172](#), [~~or~~] [1575.173](#), or [1575.174](#), as  
4 applicable;

5 (2) the total amount the physician or provider may  
6 bill the enrollee under the enrollee's managed care plan and an  
7 itemization of copayments, coinsurance, deductibles, and other  
8 amounts included in that total; and

9 (3) for an explanation of benefits provided to the  
10 physician or provider, information required by commissioner rule  
11 advising the physician or provider of the availability of mediation  
12 or arbitration, as applicable, under Chapter [1467](#).

13 (b) The administrator shall provide the explanation of  
14 benefits with the notice required by this section to a physician or  
15 health care provider not later than the date the administrator  
16 makes a payment under Section [1575.171](#), [1575.172](#), [~~or~~] [1575.173](#), or  
17 [1575.174](#), as applicable.

18 (b) Effective September 1, 2025, Section [1575.009](#),  
19 Insurance Code, is amended to read as follows:

20 Sec. 1575.009. BALANCE BILLING PROHIBITION NOTICE. (a)  
21 The administrator of a managed care plan provided under the group  
22 program shall provide written notice in accordance with this  
23 section in an explanation of benefits provided to the enrollee and  
24 the physician or health care provider in connection with a health  
25 care or medical service or supply provided by an out-of-network  
26 provider. The notice must include:

27 (1) a statement of the billing prohibition under

1 Section 1575.171, 1575.172, or 1575.173, as applicable;

2 (2) the total amount the physician or provider may  
3 bill the enrollee under the enrollee's managed care plan and an  
4 itemization of copayments, coinsurance, deductibles, and other  
5 amounts included in that total; and

6 (3) for an explanation of benefits provided to the  
7 physician or provider, information required by commissioner rule  
8 advising the physician or provider of the availability of mediation  
9 or arbitration, as applicable, under Chapter 1467.

10 (b) The administrator shall provide the explanation of  
11 benefits with the notice required by this section to a physician or  
12 health care provider not later than the date the administrator  
13 makes a payment under Section 1575.171, 1575.172, or 1575.173, as  
14 applicable.

15 SECTION 12. Subchapter D, Chapter 1575, Insurance Code, is  
16 amended by adding Section 1575.174 to read as follows:

17 Sec. 1575.174. OUT-OF-NETWORK EMERGENCY MEDICAL SERVICES  
18 PROVIDER PAYMENTS. (a) In this section, "emergency medical  
19 services provider" has the meaning assigned by Section 773.003,  
20 Health and Safety Code, except that the term does not include an air  
21 ambulance.

22 (b) Except as provided by Subsection (c), the administrator  
23 of a managed care plan provided under the group program shall pay  
24 for a covered health care or medical service performed for, or a  
25 covered supply or covered transport related to that service  
26 provided to, an enrollee by an out-of-network provider who is an  
27 emergency medical services provider at:

1           (1) if the political subdivision has submitted the  
2 rate to the department under Section 38.006, the rate set,  
3 controlled, or regulated by the political subdivision in which:

4                   (A) the service originated; or

5                   (B) the transport originated if transport is  
6 provided; or

7           (2) if the political subdivision has not submitted the  
8 rate to the department, the lesser of:

9                   (A) the provider's billed charge; or

10                   (B) 325 percent of the current Medicare rate,  
11 including any applicable extenders and modifiers.

12           (c) The administrator shall adjust a payment required by  
13 Subsection (b)(1) each plan year by increasing the payment by the  
14 lesser of the Medicare Inflation Index or 10 percent of the  
15 provider's previous calendar year rates.

16           (d) The administrator shall make a payment required by this  
17 section directly to the provider not later than, as applicable:

18                   (1) the 30th day after the date the administrator  
19 receives an electronic claim for those services that includes all  
20 information necessary for the administrator to pay the claim; or

21                   (2) the 45th day after the date the administrator  
22 receives a nonelectronic claim for those services that includes all  
23 information necessary for the administrator to pay the claim.

24           (e) An out-of-network provider who is an emergency medical  
25 services provider or a person asserting a claim as an agent or  
26 assignee of the provider may not bill an enrollee receiving a health  
27 care or medical service or supply or transport described by

1 Subsection (b) in, and the enrollee does not have financial  
2 responsibility for, an amount greater than an applicable copayment,  
3 coinsurance, and deductible under the enrollee's managed care plan  
4 that is based on:

5 (1) the amount initially determined payable by the  
6 administrator; or

7 (2) if applicable, the modified amount as determined  
8 under the administrator's internal appeal process.

9 (f) This section expires September 1, 2025.

10 SECTION 13. (a) Section 1579.009, Insurance Code, is  
11 amended to read as follows:

12 Sec. 1579.009. BALANCE BILLING PROHIBITION NOTICE. (a)  
13 The administrator of a managed care plan provided under this  
14 chapter shall provide written notice in accordance with this  
15 section in an explanation of benefits provided to the enrollee and  
16 the physician or health care provider in connection with a health  
17 care or medical service or supply or transport provided by an  
18 out-of-network provider. The notice must include:

19 (1) a statement of the billing prohibition under  
20 Section 1579.109, 1579.110, [~~or~~] 1579.111, or 1579.112, as  
21 applicable;

22 (2) the total amount the physician or provider may  
23 bill the enrollee under the enrollee's managed care plan and an  
24 itemization of copayments, coinsurance, deductibles, and other  
25 amounts included in that total; and

26 (3) for an explanation of benefits provided to the  
27 physician or provider, information required by commissioner rule

1 advising the physician or provider of the availability of mediation  
2 or arbitration, as applicable, under Chapter 1467.

3 (b) The administrator shall provide the explanation of  
4 benefits with the notice required by this section to a physician or  
5 health care provider not later than the date the administrator  
6 makes a payment under Section 1579.109, 1579.110, ~~or~~ 1579.111, or  
7 1579.112, as applicable.

8 (b) Effective September 1, 2025, Section 1579.009,  
9 Insurance Code, is amended to read as follows:

10 Sec. 1579.009. BALANCE BILLING PROHIBITION NOTICE. (a)  
11 The administrator of a managed care plan provided under this  
12 chapter shall provide written notice in accordance with this  
13 section in an explanation of benefits provided to the enrollee and  
14 the physician or health care provider in connection with a health  
15 care or medical service or supply provided by an out-of-network  
16 provider. The notice must include:

17 (1) a statement of the billing prohibition under  
18 Section 1579.109, 1579.110, or 1579.111, as applicable;

19 (2) the total amount the physician or provider may  
20 bill the enrollee under the enrollee's managed care plan and an  
21 itemization of copayments, coinsurance, deductibles, and other  
22 amounts included in that total; and

23 (3) for an explanation of benefits provided to the  
24 physician or provider, information required by commissioner rule  
25 advising the physician or provider of the availability of mediation  
26 or arbitration, as applicable, under Chapter 1467.

27 (b) The administrator shall provide the explanation of

1 benefits with the notice required by this section to a physician or  
2 health care provider not later than the date the administrator  
3 makes a payment under Section 1579.109, 1579.110, or 1579.111, as  
4 applicable.

5 SECTION 14. Subchapter C, Chapter 1579, Insurance Code, is  
6 amended by adding Section 1579.112 to read as follows:

7 Sec. 1579.112. OUT-OF-NETWORK EMERGENCY MEDICAL SERVICES  
8 PROVIDER PAYMENTS. (a) In this section, "emergency medical  
9 services provider" has the meaning assigned by Section 773.003,  
10 Health and Safety Code, except that the term does not include an air  
11 ambulance.

12 (b) Except as provided by Subsection (c), the administrator  
13 of a managed care plan provided under this chapter shall pay for a  
14 covered health care or medical service performed for, or a covered  
15 supply or covered transport related to that service provided to, an  
16 enrollee by an out-of-network provider who is an emergency medical  
17 services provider at:

18 (1) if the political subdivision has submitted the  
19 rate to the department under Section 38.006, the rate set,  
20 controlled, or regulated by the political subdivision in which:

21 (A) the service originated; or  
22 (B) the transport originated if transport is  
23 provided; or

24 (2) if the political subdivision has not submitted the  
25 rate to the department, the lesser of:

26 (A) the provider's billed charge; or  
27 (B) 325 percent of the current Medicare rate,

1 including any applicable extenders and modifiers.

2 (c) The administrator shall adjust a payment required by  
3 Subsection (b)(1) each plan year by increasing the payment by the  
4 lesser of the Medicare Inflation Index or 10 percent of the  
5 provider's previous calendar year rates.

6 (d) The administrator shall make a payment required by this  
7 section directly to the provider not later than, as applicable:

8 (1) the 30th day after the date the administrator  
9 receives an electronic claim for those services that includes all  
10 information necessary for the administrator to pay the claim; or

11 (2) the 45th day after the date the administrator  
12 receives a nonelectronic claim for those services that includes all  
13 information necessary for the administrator to pay the claim.

14 (e) An out-of-network provider who is an emergency medical  
15 services provider or a person asserting a claim as an agent or  
16 assignee of the provider may not bill an enrollee receiving a health  
17 care or medical service or supply or transport described by  
18 Subsection (b) in, and the enrollee does not have financial  
19 responsibility for, an amount greater than an applicable copayment,  
20 coinsurance, and deductible under the enrollee's managed care plan  
21 that is based on:

22 (1) the amount initially determined payable by the  
23 administrator; or

24 (2) if applicable, a modified amount as determined  
25 under the administrator's internal appeal process.

26 (f) This section expires September 1, 2025.

27 SECTION 15. The changes in law made by this Act apply only

1 to a ground ambulance service provided on or after January 1, 2024.  
2 A ground ambulance service provided before January 1, 2024, is  
3 governed by the law in effect immediately before the effective date  
4 of this Act, and that law is continued in effect for that purpose.

5 SECTION 16. Except as otherwise provided by this Act, this  
6 Act takes effect September 1, 2023.