

By: Guillen

H.B. No. 1266

A BILL TO BE ENTITLED

AN ACT

relating to expedited credentialing of certain physician assistants and advanced practice nurses by managed care plan issuers.

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

SECTION 1. Chapter 1452, Insurance Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. EXPEDITED CREDENTIALING PROCESS FOR CERTAIN
PHYSICIAN ASSISTANTS AND ADVANCED PRACTICE NURSES

Sec. 1452.251. DEFINITIONS. In this subchapter:

(1) "Advanced practice nurse" means an advanced practice registered nurse as defined by Section 301.152, Occupations Code.

(2) "Applicant" means a physician assistant or advanced practice nurse applying for expedited credentialing under this subchapter.

(3) "Enrollee" means an individual who is eligible to receive health care services under a managed care plan.

(4) "Health care provider" means:

(A) an individual who is licensed, certified, or otherwise authorized to provide health care services in this state; or

(B) a hospital, emergency clinic, outpatient clinic, or other facility providing health care services.

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

7 (A) a health maintenance organization;
8 (B) a preferred provider benefit plan issuer; or
9 (C) any other entity that issues a health benefit
10 plan, including an insurance company.

11 (6) "Medical group" means:

12 (A) a single legal entity authorized to practice
13 medicine in this state that is owned by two or more physicians; or
14 (B) a professional association composed solely
15 of physicians.

16 (7) "Participating provider" means a health care
17 provider who has contracted with a health benefit plan issuer to
18 provide services to enrollees.

19 (8) "Physician" means an individual licensed to
20 practice medicine in this state.

21 (9) "Physician assistant" means an individual who
22 holds a license issued under Chapter 204, Occupations Code.

23 Sec. 1452.252. APPLICABILITY. This subchapter applies only
24 to a physician assistant or advanced practice nurse who joins, as an
25 employee, an established medical group that has a contract with a
26 managed care plan that already includes contracted rates for
27 physician assistants or advanced practice nurses employed by the

1 medical group.

2 Sec. 1452.253. ELIGIBILITY REQUIREMENTS. To qualify for
3 expedited credentialing under this subchapter and payment under
4 Section 1452.254, a physician assistant or advanced practice nurse
5 must:

6 (1) be licensed in this state by, and in good standing
7 with, the Texas Physician Assistant Board or Texas Board of
8 Nursing;

9 (2) submit all documentation and other information
10 required by the managed care plan issuer to begin the credentialing
11 process required for the issuer to include the physician assistant
12 or advanced practice nurse in the plan's network;

13 (3) agree to comply with the terms of the managed care
14 plan's participating provider contract with the physician
15 assistant's or advanced practice nurse's established medical group,
16 including the rates applicable to other physician assistants or
17 advanced practice nurses under the contract; and

18 (4) have received express written consent from the
19 physician assistant's or advanced practice nurse's established
20 medical group to apply for expedited credentialing under this
21 subchapter.

22 Sec. 1452.254. PAYMENT FOR SERVICES OF PHYSICIAN ASSISTANT
23 OR ADVANCED PRACTICE NURSE DURING CREDENTIALING PROCESS. After an
24 applicant has met the eligibility requirements under Section
25 1452.253, the managed care plan issuer shall, for payment purposes
26 only, treat the applicant as if the applicant is a participating
27 provider in the plan's network when the applicant provides services

1 to the plan's enrollees as an employee of the applicant's
2 established medical group, including:

3 (1) authorizing the applicant's medical group to
4 collect copayments from the enrollees for the applicant's services;
5 and

6 (2) making payments to the applicant's medical group
7 for the applicant's services.

8 Sec. 1452.255. DIRECTORY ENTRIES. Nothing in this
9 subchapter may be construed as requiring the managed care plan
10 issuer to include the applicant in the plan's directory, Internet
11 website listing, or other listing of participating providers.

12 Sec. 1452.256. EFFECT OF FAILURE TO MEET CREDENTIALING
13 REQUIREMENTS. If, on completion of the credentialing process, the
14 managed care plan issuer determines that the applicant does not
15 meet the issuer's credentialing requirements:

16 (1) the issuer may recover from the applicant's
17 medical group that was paid under Section 1452.254 an amount equal
18 to the difference between payments for in-network benefits and
19 out-of-network benefits; and

20 (2) the applicant's medical group may retain any
21 copayments collected or in the process of being collected as of the
22 date of the issuer's determination.

23 Sec. 1452.257. ENROLLEE HELD HARMLESS. An enrollee is not
24 responsible and shall be held harmless for the difference between
25 in-network copayments paid under Section 1452.254 by the enrollee
26 to an applicant's medical group for services provided by an
27 employee applicant physician assistant or advanced practice nurse

1 who is determined to be ineligible under Section 1452.256 and the
2 enrollee's managed care plan's charges for out-of-network services.
3 The applicant's medical group may not charge the enrollee for any
4 portion of the applicant's fee that is not paid or reimbursed by the
5 plan.

6 Sec. 1452.258. LIMITATION ON MANAGED CARE PLAN ISSUER
7 LIABILITY. A managed care plan issuer that complies with this
8 subchapter is not subject to liability for damages arising out of or
9 in connection with, directly or indirectly, the payment by the
10 issuer of a physician assistant's or advanced practice nurse's
11 medical group for services provided by the medical group's employed
12 physician assistant or advanced practice nurse treated as if the
13 physician assistant or advanced practice nurse is a participating
14 provider in the plan's network under this subchapter.

15 SECTION 2. This Act takes effect September 1, 2025.