

## **BILL ANALYSIS**

S.B. 49  
By: Nelson  
Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, health insurers may require providers to submit claims electronically. Current law includes a waiver provision that will allow individual providers to continue submitting non-electronic claims under certain circumstances. However, non-electronic health care claims are costly for health insurance companies to process and result in slower payments to providers.

C.S.S.B. 49 will require health insurers to require providers to submit claims electronically after September 1, 2007. Under both current and proposed law, a waiver provision will allow individual providers to continue submitting non-electronic claims under certain circumstances.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2, Article 21.52Z, Insurance Code, as follows:

Sec. 2. ELECTRONIC SUBMISSION OF CLAIMS. (a) Authorizes the issuers of health benefit plans by contract to require, before September 1, 2007, certain licensed health care professionals and facilities to submit certain information electronically. Provides that this subsection expires September 1, 2007.

(b) Requires the issuers of health benefit plans by contract to require, beginning September 1, 2007, certain licensed health care professionals and facilities to submit certain information electronically.

(c) Created from existing text of Subsection (a). Makes nonsubstantive changes

(d) Redesignated from existing Subsection (b). Makes nonsubstantive changes.

SECTION 2. Amends Article 21.52Z, Insurance Code, by adding Section 1A, as follows:

Sec. 1A. APPLICABILITY. Provides that this article does not apply to certain insurance plans.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2005.

### **EFFECTIVE DATE**

September 1, 2005