By: Gattis H.B. No. 1557

## A BILL TO BE ENTITLED

AN ACT

2	relating to the billing and reimbursement of anatomic pathology
3	services.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. The heading to Subtitle I, Title 2, Health and
6	Safety Code, is amended to read as follows:
7	SUBTITLE I. MEDICAL RECORDS AND BILLING
8	SECTION 2. Subtitle I, Title 2, Health and Safety Code, is
9	amended by adding Chapter 182 to read as follows:
10	CHAPTER 182. BILLING OF ANATOMIC PATHOLOGY SERVICES
11	SUBCHAPTER A. GENERAL PROVISIONS
12	Sec. 182.001. DEFINITIONS. In this chapter:
13	(1) "Anatomic pathology services" means:
14	(A) histopathology or surgical pathology, which
15	is the gross and microscopic examination and histologic processing
16	of organ tissue performed by a physician or under the supervision of
17	a physician;
18	(B) cytopathology, which is the examination of
19	cells from the following:
20	(i) fluids;
21	(ii) aspirates;
22	(iii) washings;
23	(iv) brushings; or
24	(v) smears, including a Pap smear,

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1	performed by a physician or under the supervision of a physician;
2	(C) hematology, which is the microscopic
3	evaluation of bone marrow aspirates and biopsies performed by a
4	physician, or under the supervision of a physician, and peripheral
5	blood smears when the attending or treating physician or
6	technologist requests that a blood smear be reviewed by a
7	<pre>pathologist;</pre>
8	(D) sub-cellular pathology and molecular
9	<pre>pathology; or</pre>
10	(E) a blood-banking service performed by a
11	pathologist.
12	(2) "Clinical laboratory" means a facility for the
13	biological, microbiological, serological, chemical,
14	immuno-hematological, hematological, biophysical, cytological,
15	pathological, or other examination of materials derived from the
16	human body to provide information for:
17	(A) the diagnosis, prevention, or treatment of a
18	disease or any impairment of the health of human beings; or
19	(B) the assessment of the health of human beings.
20	(3) "Licensed practitioner" means a health care
21	professional who is licensed in this state, including a physician,
22	dentist, advanced practice nurse, and physician assistant, and who
23	orders or performs anatomic pathology services within the scope of
24	the practitioner's practice.
25	(4) "Physician" includes a surgeon and an osteopath.
26	(5) "Referring laboratory," with respect to the
27	referral of anatomic pathology services, does not include a

- 1 laboratory of a physician's office or group practice that collects
- 2 a specimen and orders anatomic pathology services for a patient.
- 3 Sec. 182.002. RULES. The appropriate regulatory agency of
- 4 this state that issues a license or certificate to a licensed
- 5 practitioner may adopt the rules necessary to implement this
- 6 chapter.
- 7 [Sections 182.003-182.050 reserved for expansion]
- 8 SUBCHAPTER B. FEES OR CLAIMS FOR SERVICES
- 9 Sec. 182.051. LIMITATIONS ON BILLING SERVICES. (a) A
- 10 clinical laboratory or physician who provides anatomic pathology
- 11 services for a patient in this state may present or cause to be
- 12 presented a bill or demand for payment for the services provided by
- 13 the laboratory or physician only to:
- 14 (1) the patient directly;
- 15 (2) the responsible insurer or to another third-party
- 16 payor;
- 17 (3) a public health clinic or nonprofit health clinic
- 18 that ordered the services;
- 19 <u>(4)</u> the referring laboratory;
- 20 (5) a governmental agency or the agency's designated
- 21 agent, on behalf of the patient; or
- (6) a hospital if the bill or demand for payment is
- 23 limited to the technical component of the services.
- (b) In this section, "nonprofit health clinic" means a
- 25 clinic that is exempt from federal income tax under Section 501(a),
- 26 Internal Revenue Code of 1986, by being listed as an exempt
- organization in Section 501(c)(3) or 501(c)(4) of that code and

- 1 that is organized and operated for the purpose of providing free or
- 2 reduced cost health care.
- 3 Sec. 182.052. BILLING FOR SERVICES NOT PERFORMED OR
- 4 SUPERVISED PROHIBITED. Except as provided by Section 182.053 and
- 5 <u>subject to Section 182.051</u>, a licensed practitioner may not
- 6 directly or indirectly charge, bill, or otherwise solicit payment
- 7 for anatomic pathology services unless the services were performed
- 8 personally by the licensed practitioner or under the licensed
- 9 practitioner's direct supervision in accordance with Section 353,
- 10 Public Health Service Act (42 U.S.C. Section 263a).
- 11 Sec. 182.053. REIMBURSEMENT; ASSIGNMENT OF BENEFITS. (a)
- 12 A patient, insurer, third-party payor, hospital, public health
- 13 clinic, or nonprofit health clinic may not be required to reimburse
- 14 a licensed practitioner or clinical laboratory for a charge, bill,
- or demand for payment made or submitted in violation of this
- 16 chapter.
- 17 (b) Nothing in this chapter requires an assignment of
- 18 benefits for anatomic pathology services.
- 19 Sec. 182.054. BILLING OF REFERRING LABORATORY. This
- 20 chapter does not prohibit billing a referring laboratory for
- 21 anatomic pathology services in circumstances in which a specimen
- 22 <u>must be sent to another specialist.</u>
- 23 [Sections 182.055-182.100 reserved for expansion]
- SUBCHAPTER C. ENFORCEMENT
- Sec. 182.101. DISCIPLINARY ACTION. A licensed practitioner
- 26 who violates this chapter or a rule adopted under this chapter by
- 27 the appropriate regulatory agency of this state is subject to

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- 1 disciplinary action by the agency under applicable law, including
- 2 revocation, suspension, or nonrenewal of the practitioner's
- 3 <u>license.</u>
- 4 SECTION 3. Section 161.061, Health and Safety Code, is
- 5 amended by adding Subsection (c) to read as follows:
- 6 (c) An agreement described by this section must comply with
- 7 Chapter 182, if applicable.
- 8 SECTION 4. Chapter 182, Health and Safety Code, as added by
- 9 this Act, applies only to anatomic pathology services performed on
- 10 or after the effective date of this Act.
- 11 SECTION 5. The appropriate regulatory agencies of this
- 12 state may adopt rules necessary to implement Chapter 182, Health
- and Safety Code, as added by this Act.
- SECTION 6. This Act takes effect September 1, 2007.