

By: Jackson

H.B. No. 1930

A BILL TO BE ENTITLED

AN ACT

relating to health services provided to health benefit plan enrollees by certain out-of-network health care providers.

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

SECTION 1. Section 1456.001, Insurance Code, is amended by adding Subdivisions (5-a) and (5-b) to read as follows:

(5-a) "Out-of-network provider" means a health care practitioner who has not contracted with a health benefit plan issuer to provide services to enrollees.

(5-b) "Participating provider" means a health care practitioner who has contracted with a health benefit plan issuer to provide services to enrollees.

SECTION 2. Chapter 1456, Insurance Code, is amended by adding Section 1456.0041 to read as follows:

Sec. 1456.0041. REQUIRED DISCLOSURE: OUT-OF-NETWORK PROVIDER BILLING. (a) A participating provider shall provide written notice to an enrollee if the participating provider:

(1) refers an enrollee to an out-of-network provider;  
(2) has granted clinical privileges to a surgeon, a radiologist, an anesthesiologist, a pathologist, or another physician who is an out-of-network provider who is to provide services to the enrollee as a patient of the facility; or

(3) otherwise arranges for health care services for the enrollee through an out-of-network provider.

1       (b) The notice required by this section must substantially  
2 comply with requirements adopted under Subsection (i) and must  
3 disclose that the out-of-network provider:

4           (1) is not a participating provider for the enrollee's  
5 managed care plan; and

6           (2) may charge the enrollee the balance of the  
7 provider's fee for services received by the enrollee that is not  
8 fully paid or reimbursed by the enrollee's managed care plan.

9       (c) The notice must include a signature line for the  
10 enrollee to sign to acknowledge that the enrollee has received the  
11 notice.

12       (d) An out-of-network provider may elect to provide the  
13 notice required by this section.

14       (e) A health care provider that provides notice under this  
15 section shall maintain a copy of the notice, signed by the enrollee,  
16 in the provider's records.

17       (f) The notice required by this section must be provided to  
18 an enrollee:

19           (1) before services are provided to the enrollee by an  
20 out-of-network provider; and

21           (2) to the extent practicable, sufficiently in advance  
22 of the time the services are to be provided to allow the enrollee to  
23 select a participating provider to provide the services.

24       (g) If notice is not provided as required by this section,  
25 the out-of-network provider may not charge the enrollee for any  
26 portion of that provider's fee that is not paid or reimbursed by the  
27 enrollee's managed care plan.

1       (h) A health care provider is not required to provide the  
2 notice required by this section, and Subsection (g) does not apply,  
3 if the enrollee's treating physician reasonably determines, in the  
4 physician's medical judgment, that an emergency exists and there is  
5 insufficient time to provide that notice.

6       (i) The commissioner shall adopt rules as necessary to  
7 implement this chapter, including a rule prescribing the form of  
8 the notice required by this section.

9       SECTION 3. This Act applies only to a managed care plan that  
10 is delivered, issued for delivery, or renewed on or after January 1,  
11 2010. A managed care plan that is delivered, issued for delivery, or  
12 renewed before January 1, 2010, is governed by the law as it existed  
13 immediately before the effective date of this Act, and that law is  
14 continued in effect for that purpose.

15       SECTION 4. This Act takes effect September 1, 2009.