By: Isett H.B. No. 3459

A BILL TO BE ENTITLED

1	AN ACT
2	relating to pricing for health care services and supplies and
3	reimbursement for those services or supplies under certain health
4	benefit plans; imposing penalties.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Subtitle A, Title 8, Insurance Code, is amended
7	by adding Chapter 1225 to read as follows:
8	CHAPTER 1225. PRICING FOR HEALTH CARE SERVICES AND SUPPLIES;
9	REIMBURSEMENT RATES
10	Sec. 1225.001. DEFINITION. In this chapter, "health care
11	provider" includes a physician, health care practitioner, and
12	health care facility.
13	Sec. 1225.002. APPLICABILITY OF CHAPTER. (a) This chapter
14	does not apply to the provision of a health care service or supply
15	to a:
16	(1) patient for which a health care provider has
17	accepted assignment for the health care service or supply from
18	Medicaid or Medicare or any other federal, state, or local
19	<pre>government-sponsored indigent health care program;</pre>
20	(2) financially or medically indigent person who
21	qualifies for indigent health care services based on:
22	(A) a sliding fee scale; or
23	(B) a written charity care policy established by
24	a health care provider; or

- 1 (3) person who is not covered by a health benefit plan
- 2 that provides benefits for the services and qualifies for services
- 3 for the uninsured based on a written policy established by a health
- 4 care provider.
- 5 (b) This chapter does not apply to payments made for a
- 6 health care service or supply on a capitation basis.
- 7 (c) This chapter does not permit the establishment of health
- 8 care provider policies or contracts that violate any other state or
- 9 federal law.
- 10 Sec. 1225.003. PRICING INFORMATION; AVAILABILITY. (a)
- 11 Each health care provider shall compile a list of the price charged
- 12 by the provider for each service or supply provided by the health
- 13 care provider. If the health care provider bundles together prices
- 14 for multiple services or supplies provided by the provider during
- 15 one treatment by or visit to the provider, the provider shall
- 16 <u>include any price bundles used by the provider in the list compiled</u>
- 17 under this subsection.
- 18 (b) A health care provider shall provide a copy of the price
- 19 list described by Subsection (a) to any patient of the health care
- 20 provider who requests a copy of the list.
- Sec. 1225.004. POSTING REQUIRED. (a) Each health care
- 22 provider shall post in any general waiting area maintained by the
- 23 provider, including any waiting areas of off-site or on-site
- 24 registration, a clear and conspicuous notice that advises patients
- 25 of the availability of the price list described by Section
- 26 1225.003.
- 27 (b) If a health <u>care provider maintains an Internet website</u>,

- 1 the provider shall post the price list described by Section
- 2 1225.003 on the provider's website.
- 3 Sec. 1225.005. OVERPAYMENT; REFUNDS. (a) A health care
- 4 provider that receives payment for a health care service or supply
- 5 provided to a patient by the provider that exceeds the price of
- 6 those products or services published in the price list described by
- 7 Section 1225.003 shall, not later than the 30th day after the date
- 8 the overpayment is discovered by the provider, refund to the payor
- 9 the amount of the overpayment. This section does not apply to an
- 10 overpayment subject to Section 843.350 or 1301.132.
- 11 (b) The health care provider shall refund the overpayment
- 12 described by Subsection (a) by:
- (1) crediting the patient's account to pay a copayment
- 14 amount, deductible, or other charge that the patient owes to the
- 15 provider; or
- 16 (2) funding an established qualified account of the
- 17 patient such as a savings account or medical reimbursement account
- 18 dedicated to the payment of a future medical expense.
- 19 Sec. 1225.006. DISCIPLINARY ACTIONS AND ADMINISTRATIVE
- 20 PENALTY. A violation of this chapter is grounds for disciplinary
- 21 action or the imposition of an administrative penalty by the entity
- 22 that licenses the health care provider that violates this chapter.
- Sec. 1225.007. FRAUDULENT INSURANCE ACT. An offense under
- 24 this chapter is a fraudulent insurance act under Chapter 701.
- 25 <u>Sec. 1225.008. CHARGING DIFFERENT PRICES; OFFENSE. (a) A</u>
- 26 health care provider commits an offense if the provider knowingly
- 27 charges different prices for providing the same health care service

- 1 or supply.
- 2 (b) It is a defense to prosecution under this section that
- 3 the health care provider refunded the overpayment as required by
- 4 Section 843.350, 1225.005, or 1301.132, as applicable.
- 5 (c) An offense under this section is a Class B misdemeanor.
- 6 Sec. 1225.009. ESTABLISHMENT OF RATES. (a) The department
- 7 shall analyze reimbursement payments made by health benefit plan
- 8 issuers to a health care provider for specific health care services
- 9 or supplies in each health service region established by the
- 10 Department of State Health Services under Section 121.007, Health
- 11 and Safety Code.
- 12 (b) For each region analyzed under Subsection (a), and for
- 13 each health care service or supply, the commissioner shall
- 14 determine the 25th quartile of the reimbursement payment.
- 15 <u>(c)</u> The amount determined for each health care service or
- 16 supply for each region by the department under Subsection (b) is the
- 17 maximum amount that a health benefit plan issuer may reimburse a
- 18 health care provider for the health care service or supply.
- 19 Sec. 1225.010. EXCEPTION. For good cause shown, the
- 20 commissioner may by rule except from the maximum reimbursement rate
- 21 established under Section 1225.009 a payment made:
- 22 (1) to a tertiary care facility as defined by Section
- 23 46.001, Health and Safety Code; or
- 24 (2) for tertiary medical services as defined by
- 25 <u>Section 46.001, Health and Safety Code, or a supply related to those</u>
- 26 services.
- 27 SECTION 2. A health care provider shall compile the price

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- 1 list and post the notice required by Chapter 1225, Insurance Code,
- 2 as added by this Act, not later than January 1, 2010.
- 3 SECTION 3. This Act applies only to an insurance policy,
- 4 contract, or evidence of coverage that is delivered, issued for
- 5 delivery, or renewed on or after January 1, 2010. A policy,
- 6 contract, or evidence of coverage delivered, issued for delivery,
- 7 or renewed before January 1, 2010, is governed by the law as it
- 8 existed immediately before the effective date of this Act, and that
- 9 law is continued in effect for that purpose.
- 10 SECTION 4. This Act takes effect immediately if it receives
- 11 a vote of two-thirds of all the members elected to each house, as
- 12 provided by Section 39, Article III, Texas Constitution. If this
- 13 Act does not receive the vote necessary for immediate effect, this
- 14 Act takes effect September 1, 2009.