

By: Coleman, Davis of Harris

H.B. No. 3749

Substitute the following for H.B. No. 3749:

By: Naishtat

C.S.H.B. No. 3749

A BILL TO BE ENTITLED

AN ACT

relating to the creation of an interim committee on, and a study of,
the itemized billing statements of certain health care facilities.

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

SECTION 1. DEFINITIONS. In this Act:

(1) "Department" means the Department of State Health
Services.

(2) "Health care facility" means:

(A) an ambulatory surgical center licensed under
Chapter 243, Health and Safety Code;

(B) a birthing center licensed under Chapter 244,
Health and Safety Code; or

(C) a hospital licensed under Chapter 241, Health
and Safety Code.

(3) "Interim committee" means the committee appointed
under Section 3 of this Act.

SECTION 2. DATA COLLECTION. (a) The department shall
collect information concerning the itemized billing statements of
health care facilities, including information concerning the unit
prices charged to health care facilities by manufacturers,
suppliers, or providers for:

(1) medical hardware provided to patients by health
care facilities;

(2) devices or implants provided to patients by health

1 care facilities;

2 (3) prescription specialty drugs or drug protocols
3 dispensed to patients by health care facilities; and

4 (4) health care services provided to patients by
5 health services providers for health care facilities.

6 (b) A health care facility shall provide information as
7 required by the department under this Act. A health care facility
8 may not include in a contract to which the health care facility is a
9 party and that is entered into or renewed on or after the effective
10 date of this Act, a provision that prohibits the health care
11 facility from disclosing as required under this section:

12 (1) information on the unit price charged to the
13 health care facility by a manufacturer, supplier, or provider of
14 any medical hardware, device, implant, prescription specialty
15 drug, drug protocol, or service; or

16 (2) other pricing information related to the contract.

17 (c) The department shall provide the information collected
18 under this section to the interim committee.

19 SECTION 3. INTERIM COMMITTEE; STUDY; REPORT. (a) The
20 interim committee consists of the following six members:

21 (1) three senators appointed by the lieutenant
22 governor; and

23 (2) three state representatives appointed by the
24 speaker of the house of representatives.

25 (b) The interim committee shall elect a presiding officer
26 from among its members. The committee shall convene at the call of
27 the presiding officer.

1 (c) The interim committee shall hold public hearings on the
2 transparency of itemized billing statements of health care
3 facilities and include information gathered in the hearings in the
4 study conducted under this section.

5 (d) The interim committee shall conduct a study concerning
6 transparency of itemized billing statements of health care
7 facilities. The study must examine:

8 (1) to the extent the unit prices charged to
9 facilities by manufacturers, suppliers, and providers reflect
10 discounts, rebates, or other adjustments to the price billed, the
11 manner in which the billing statement accurately reflects the
12 actual unit prices charged to and paid by facilities and whether the
13 billing statement includes invoices or other sufficient
14 documentation to support the actual unit prices paid;

15 (2) the effects of health care facility billing
16 practices on patient access to health care and on third-party
17 payors, including the effects of pricing and discounting practices
18 on the uninsured and underinsured and on insurers, governmental
19 payors, and other third-party payors;

20 (3) the economic consequences of health care facility
21 billing practices on consumers and third-party payors, including
22 the effects of bankruptcy and denied claims;

23 (4) the resolution of patient complaints on health
24 care facility billed charges and billing practices, including
25 resolution through reduction in charges to a patient through any
26 available charity care or discounts offered by the health care
27 facility for patients; and

1 (5) the effects of health care facility billing
2 practices related to any increase in the amount of the billed unit
3 prices presented to consumers and third-party payors compared to
4 the actual unit prices charged to and paid by facilities.

5 (e) Not later than December 1, 2010, the interim committee
6 shall submit to the governor, lieutenant governor, and speaker of
7 the house of representatives a report on the results of the study,
8 including recommendations for legislation to address issues
9 identified in the study.

10 SECTION 4. EXPIRATION. This Act expires September 1, 2011.

11 SECTION 5. EFFECTIVE DATE. This Act takes effect
12 immediately if it receives a vote of two-thirds of all the members
13 elected to each house, as provided by Section 39, Article III, Texas
14 Constitution. If this Act does not receive the vote necessary for
15 immediate effect, this Act takes effect September 1, 2009.