By: Kolkhorst H.B. No. 2430

A BILL TO BE ENTITLED

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| 1 | AN ACT |
| 2 | relating to the price charged by a health care provider for a health |
| 3 | care service or supply; providing penalties. |
| 4 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: |
| 5 | SECTION 1. This Act may be cited as the Texas Health Care |
| 6 | Pricing Disclosure Act. |
| 7 | SECTION 2. The heading to Subchapter H, Chapter 101, |
| 8 | Occupations Code, is amended to read as follows: |
| 9 | SUBCHAPTER H. BILLING AND PRICING INFORMATION |
| 10 | SECTION 3. Subchapter H, Chapter 101, Occupations Code, is |
| 11 | amended by adding Section 101.3515 to read as follows: |
| 12 | Sec. 101.3515. PRICING INFORMATION. (a) In this section: |
| 13 | (1) "Bundled health care services and supplies" means |
| 14 | for pricing purposes the grouping of multiple health care services |
| 15 | and supplies provided by a health care provider to a patient during |
| 16 | one visit to or treatment by the provider. |
| 17 | (2) "Health care price" means the total amount of |
| 18 | compensation a health care provider accepts as payment in full for a |
| 19 | health care service or supply or bundled health care services and |
| 20 | supplies provided to a patient. |

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health care service or provides a health care supply in this state

under a license, certificate, registration, or other authority

(A) a health care professional who performs a

(3) "Health care provider" means:

- 1 issued by this state to diagnose, prevent, alleviate, or cure a
- 2 human illness or injury, including a physician and dentist;
- 3 (B) a health care facility that provides a health
- 4 care service or supply in this state under a license, certificate,
- 5 registration, or other authority issued by this state to diagnose,
- 6 prevent, alleviate, or cure a human illness or injury, including an
- 7 institutional health care provider; or
- 8 (C) a person that provides to patients in this
- 9 state ancillary health care-related services and supplies under a
- 10 license, certificate, or registration issued by this state, or that
- 11 is otherwise authorized to provide to patients in this state
- 12 ancillary health care-related services and supplies ordered or
- 13 authorized by a licensed health care professional, to diagnose,
- 14 prevent, alleviate, or cure a human illness or injury, including
- 15 <u>laboratory services</u>, radiological services, and durable medical
- 16 <u>equipment</u>.
- 17 (4) "Pricing information list" means a list of:
- 18 (A) the health care price of each health care
- 19 service and each health care supply that may be provided by a health
- 20 care provider to a patient; and
- 21 (B) the health care price of each set of bundled
- 22 health care services and supplies that may be provided by the health
- 23 care provider to a patient.
- (b) This section does not apply to a health care price of a
- 25 health care service or supply or bundled health care services and
- 26 supplies provided to:
- 27 (1) a patient for whom a health care provider has

- 1 accepted assignment for the health care service or supply from
- 2 Medicaid or Medicare or any other federal, state, or local
- 3 government-sponsored medical assistance program; or
- 4 (2) a financially or medically indigent person who
- 5 qualifies for indigent health care services based on:
- 6 (A) a sliding fee scale; or
- 7 (B) a health care provider's written charity care
- 8 policy.
- 9 (c) Each health care provider shall:
- 10 (1) compile a pricing information list;
- 11 (2) post on the provider's Internet website the
- 12 pricing information list and the effective date of the list before
- 13 providing a health care service or supply or bundled health care
- 14 services and supplies to a patient; and
- 15 (3) not less than 30 days before changing the health
- 16 care price of a health care service or supply or bundled health care
- 17 services and supplies provided by the provider to the patient,
- 18 provide notice of the price change by posting the notice on the
- 19 provider's Internet website.
- 20 (d) A health care provider may not:
- 21 (1) charge an amount that is different from the amount
- 22 listed as the health care price in the pricing information list for
- 23 <u>a health care service or supply or bundled health care services and</u>
- 24 supplies provided to a patient; or
- 25 (2) include a discount, bonus, fee, or other charge
- 26 that changes the health care price listed in the pricing
- 27 information list.

- 1 (e) A health care provider may accept from a patient a
- 2 payment that is less than the health care price listed in the
- 3 pricing information list if the health care provider determines, in
- 4 the provider's sole discretion, that payment of the listed price
- 5 would present a hardship to the patient.
- 6 (f) Except for a health care service or supply or bundled
- 7 health care services and supplies provided to a patient in an
- 8 emergency department of a hospital or as a result of an emergent
- 9 <u>direct admission</u>, a patient who receives a health care service or
- 10 supply or bundled health care services and supplies from a health
- 11 care provider whose health care price listed is greater than the
- 12 payment provided under the patient's health plan is personally
- 13 responsible for the amount that exceeds the listed price.
- 14 (g) A health care provider that violates this section is
- 15 <u>subject to an administrative penalty, a civil penalty, or other</u>
- 16 disciplinary action, as applicable, in the same manner as if the
- 17 provider violated the law under which the provider is licensed,
- 18 certified, registered, or authorized.
- 19 SECTION 4. Section 101.352(a), Occupations Code, is amended
- 20 to read as follows:
- 21 (a) A physician shall develop, implement, and enforce
- 22 written policies for the billing of health care services and
- 23 supplies. The policies must address:
- 24 (1) [any discounting of charges for health care
- 25 services or supplies provided to an uninsured patient that is not
- 26 covered by a patient's third-party payor, subject to Chapter 552,
- 27 Insurance Code;

- 1 $\left[\frac{(2)}{(2)}\right]$ any discounting of charges for health care
- 2 services or supplies provided to an indigent patient who qualifies
- 3 for services or supplies based on a sliding fee scale or a written
- 4 charity care policy established by the physician;
- 5 (2) $\left[\frac{(3)}{(3)}\right]$ whether interest will be applied to any
- 6 billed health care service or supply not covered by a third-party
- 7 payor and the rate of any interest charged; and
- 8 $\underline{(3)}$ [(4)] the procedure for handling complaints
- 9 relating to billed charges for health care services or supplies.
- SECTION 5. Section 324.101(a), Health and Safety Code, is
- 11 amended to read as follows:
- 12 (a) Each facility shall develop, implement, and enforce
- 13 written policies for the billing of facility health care services
- 14 and supplies. The policies must address:
- 15 (1) [any discounting of facility charges to an
- 16 uninsured consumer, subject to Chapter 552, Insurance Code;
- 17 $\left[\frac{(2)}{2}\right]$ any discounting of facility charges provided to
- 18 a financially or medically indigent consumer who qualifies for
- 19 indigent services based on a sliding fee scale or a written charity
- 20 care policy established by the facility and the documented income
- 21 and other resources of the consumer;
- 22 <u>(2)</u> [(3) the providing of an itemized statement
- 23 required by Subsection (e);
- 24 $\left[\frac{(4)}{2}\right]$ whether interest will be applied to any billed
- 25 service not covered by a third-party payor and the rate of any
- 26 interest charged; and
- (3) $[\frac{(5)}{(5)}]$ the procedure for handling complaints [+

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[(6) the providing of a conspicuous written disclosure
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      a consumer at the time the consumer is first admitted to the
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   facility or first receives services at the facility that:
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                    [(A) provides confirmation whether the facility
   is a participating provider under the consumer's third-party payor
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   coverage on the date services are to be rendered based on the
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   information received from the consumer at the time the confirmation
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   is provided;
                    [(B) informs consumers that a facility-based
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   physician who may provide services to the consumer while the
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   consumer is in the facility may not be a participating provider with
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   the same third-party payors as the facility;
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                    [(C) informs consumers that the consumer may
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   receive a bill for medical services from a facility-based physician
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   for the amount unpaid by the consumer's health benefit plan;
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                    [(D) informs consumers that the consumer may
   request a listing of facility-based physicians who have been
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   granted medical staff privileges to provide medical services at
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   the facility; and
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                    [(E) informs consumers that the consumer may
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   request information from a facility-based physician on whether the
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   physician has a contract with the consumer's health benefit plan
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   and under what circumstances the consumer may be responsible for
   payment of any amounts not paid by the consumer's health benefit
   plan;
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               [(7) the requirement that a facility provide a list,
               to a consumer to be admitted to, or who is expected to
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   on request,
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- 1 receive services from, the facility, that contains the name and
- 2 contact information for each facility-based physician or
- 3 facility-based physician group that has been granted medical staff
- 4 privileges to provide medical services at the facility; and
- 5 [(8) if the facility operates a website that includes
- 6 a listing of physicians who have been granted medical staff
- 7 privileges to provide medical services at the facility, the posting
- 8 on the facility's website of a list that contains the name and
- 9 contact information for each facility-based physician or
- 10 facility-based physician group that has been granted medical staff
- 11 privileges to provide medical services at the facility and the
- 12 updating of the list in any calendar quarter in which there are any
- 13 changes to the list].
- SECTION 6. Sections 324.101(b) and (d), Health and Safety
- 15 Code, are repealed.
- 16 SECTION 7. Notwithstanding Section 101.3515, Occupations
- 17 Code, as added by this Act, Section 101.352, Occupations Code, as
- 18 amended by this Act, or Section 324.101, Health and Safety Code, as
- 19 amended by this Act, a health care provider is not required to
- 20 comply with the changes in law made by those sections until
- 21 September 1, 2012.
- 22 SECTION 8. This Act takes effect September 1, 2011.