

AN ACT

relating to a provider protection plan that ensures efficiency and reduces administrative burdens on providers participating in a Medicaid managed care model or arrangement.

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

SECTION 1. Subchapter A, Chapter 533, Government Code, is amended by adding Section 533.0055 to read as follows:

Sec. 533.0055. PROVIDER PROTECTION PLAN. (a) The commission shall develop and implement a provider protection plan that is designed to reduce administrative burdens placed on providers participating in a Medicaid managed care model or arrangement implemented under this chapter and to ensure efficiency in provider enrollment and reimbursement. The commission shall incorporate the measures identified in the plan, to the greatest extent possible, into each contract between a managed care organization and the commission for the provision of health care services to recipients.

(b) The provider protection plan required under this section must provide for:

(1) prompt payment and proper reimbursement of providers by managed care organizations;

(2) prompt and accurate adjudication of claims through:

(A) provider education on the proper submission

1 of clean claims and on appeals;

2 (B) acceptance of uniform forms, including HCFA  
3 Forms 1500 and UB-92 and subsequent versions of those forms,  
4 through an electronic portal; and

5 (C) the establishment of standards for claims  
6 payments in accordance with a provider's contract;

7 (3) adequate and clearly defined provider network  
8 standards that are specific to provider type, including physicians,  
9 general acute care facilities, and other provider types defined in  
10 the commission's network adequacy standards in effect on January 1,  
11 2013, and that ensure choice among multiple providers to the  
12 greatest extent possible;

13 (4) a prompt credentialing process for providers;

14 (5) uniform efficiency standards and requirements for  
15 managed care organizations for the submission and tracking of  
16 preauthorization requests for services provided under the Medicaid  
17 program;

18 (6) establishment of an electronic process, including  
19 the use of an Internet portal, through which providers in any  
20 managed care organization's provider network may:

21 (A) submit electronic claims, prior  
22 authorization requests, claims appeals and reconsiderations,  
23 clinical data, and other documentation that the managed care  
24 organization requests for prior authorization and claims  
25 processing; and

26 (B) obtain electronic remittance advice,  
27 explanation of benefits statements, and other standardized

1 reports;

2 (7) the measurement of the rates of retention by  
3 managed care organizations of significant traditional providers;

4 (8) the creation of a work group to review and make  
5 recommendations to the commission concerning any requirement under  
6 this subsection for which immediate implementation is not feasible  
7 at the time the plan is otherwise implemented, including the  
8 required process for submission and acceptance of attachments for  
9 claims processing and prior authorization requests through an  
10 electronic process under Subdivision (6) and, for any requirement  
11 that is not implemented immediately, recommendations regarding the  
12 expected:

13 (A) fiscal impact of implementing the  
14 requirement; and

15 (B) timeline for implementation of the  
16 requirement; and

17 (9) any other provision that the commission determines  
18 will ensure efficiency or reduce administrative burdens on  
19 providers participating in a Medicaid managed care model or  
20 arrangement.

21 SECTION 2. As soon as possible, but not later than September  
22 1, 2014, the Health and Human Services Commission shall implement  
23 the provider protection plan required under Section 533.0055,  
24 Government Code, as added by this Act.

25 SECTION 3. If before implementing any provision of this Act  
26 a state agency determines that a waiver or authorization from a  
27 federal agency is necessary for implementation of that provision,

1 the agency affected by the provision shall request the waiver or  
2 authorization and may delay implementing that provision until the  
3 waiver or authorization is granted.

4 SECTION 4. This Act takes effect September 1, 2013.

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President of the Senate

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Speaker of the House

I hereby certify that S.B. No. 1150 passed the Senate on May 9, 2013, by the following vote: Yeas 30, Nays 0; and that the Senate concurred in House amendments on May 24, 2013, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

I hereby certify that S.B. No. 1150 passed the House, with amendments, on May 21, 2013, by the following vote: Yeas 141, Nays 4, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor