

BILL ANALYSIS

H.B. 2151
By: Muñoz, Jr.
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been reported that some health insurance plans will conduct an audit of a provider's most recent claims and then extrapolate the audit's findings across the provider's entire claims history. These plans will then seek recoupment of overpayments based on that extrapolation without further review. There are concerns that this practice places an unjust burden on providers. H.B. 2151 seeks to ensure that insurance plans seek recoupment only on claims that are actually overpaid by prohibiting a health maintenance organization from conducting a sample audit of a healthcare provider's claims and then extrapolating any findings across the remaining un-reviewed portion of the provider's claims.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2151 amends the Insurance Code to prohibit a health maintenance organization (HMO) or an insurer from using extrapolation to complete an audit of a participating physician or provider or a preferred provider, as applicable. The bill requires any additional payment due such a physician or provider or any refund due the HMO or insurer, as applicable, to be based on the actual overpayment or underpayment and prohibits any such additional payment or refund from being based on an extrapolation. The bill's provisions do not apply to the use of extrapolation by an HMO with regard to coverage under the child health plan program, a health benefits plan for certain children, or a Medicaid program.

EFFECTIVE DATE

September 1, 2019.