

By: Zedler

H.B. No. 1273

Substitute the following for H.B. No. 1273:

By: Lucio III

C.S.H.B. No. 1273

A BILL TO BE ENTITLED

1 AN ACT
2 relating to denial of payment for preauthorized health care
3 services.

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

5 SECTION 1. The heading to Chapter 1217, Insurance Code, is
6 amended to read as follows:

7 CHAPTER 1217. [~~STANDARD REQUEST FORM FOR~~] PRIOR AUTHORIZATION OF
8 HEALTH CARE SERVICES

9 SECTION 2. Chapter 1217, Insurance Code, is amended by
10 adding Section 1217.008 to read as follows:

11 Sec. 1217.008. PROHIBITION OF DENIAL OF PAYMENT FOR
12 PREAUTHORIZED HEALTH CARE SERVICES. (a) If a health benefit plan
13 issuer has given prior authorization for health care services to be
14 performed by a physician or health care provider, the health
15 benefit plan issuer may not deny or reduce payment to the physician
16 or health care provider for those services based on medical
17 necessity or appropriateness of care unless the physician or health
18 care provider materially misrepresented the proposed health care
19 services or substantially failed to perform the proposed health
20 care services.

21 (b) Nothing in this section limits the liability of a
22 physician or health care provider:

23 (1) in an action brought under Chapter 36, Human
24 Resources Code; or

1 (2) for a violation of state or federal law governing
2 medical assistance under Chapter 32, Human Resources Code,
3 including medical assistance delivered through a managed care model
4 or health benefits provided under the state child health plan
5 program under Chapter 62, Health and Safety Code.

6 (c) Subsection (a) does not apply to:

7 (1) a denial, recoupment, or suspension of or
8 reduction in a payment to a physician or health care provider made
9 by a managed care organization under the direction of the Health and
10 Human Services Commission's office of the inspector general, under
11 the office's authority to prevent, detect, audit, inspect, review,
12 and investigate fraud, waste, and abuse in the provision and
13 delivery of all health and human services in the state under Section
14 531.102, Government Code; or

15 (2) a recovery by a managed care organization under
16 Section 531.1131, Government Code.

17 SECTION 3. This Act takes effect September 1, 2019.