

By: Bonnen of Galveston

H.B. No. 2367

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on bids by certain insurance and health benefit providers to administer or provide coverage under certain group benefit plans for governmental employees.

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

SECTION 1. Subchapter E, Chapter 1551, Insurance Code, is amended by adding Section 1551.2131 to read as follows:

Sec. 1551.2131. CERTAIN CARRIERS PROHIBITED FROM BIDDING.

(a) The commissioner shall provide notice to the board of trustees if the commissioner finds that a carrier has terminated a contract with a physician or provider for the provision of services solely because the physician or provider informed an enrollee in a health benefit plan offered or administered by the carrier of the full range of physicians and providers, including out-of-network providers, available to the enrollee after previously being sanctioned or penalized by the department for engaging in the conduct described by this subsection.

(b) If the board of trustees receives notice under Subsection (a) regarding a carrier, the carrier is prohibited from submitting a bid under Section 1551.212 or 1551.213 for two competitive bidding cycles.

SECTION 2. Subchapter C, Chapter 1575, Insurance Code, is amended by adding Section 1575.1061 to read as follows:

Sec. 1575.1061. CERTAIN HEALTH CARE PROVIDERS PROHIBITED

1 FROM BIDDING. (a) The commissioner shall provide notice to the
2 trustee if the commissioner finds that a health care provider has
3 terminated a contract with a physician or provider for the
4 provision of services solely because the physician or provider
5 informed an enrollee in a health benefit plan offered or
6 administered by the health care provider of the full range of
7 physicians and providers, including out-of-network providers,
8 available to the enrollee after previously being sanctioned or
9 penalized by the department for engaging in the conduct described
10 by this subsection.

11 (b) If the trustee receives notice under Subsection (a)
12 regarding a health care provider described by Section 1575.109, the
13 health care provider is prohibited from submitting a bid under
14 Section 1575.106 for two competitive bidding cycles.

15 SECTION 3. Subchapter B, Chapter 1579, Insurance Code, is
16 amended by adding Section 1579.0541 to read as follows:

17 Sec. 1579.0541. CERTAIN HEALTH CARE AND BENEFIT PROVIDERS
18 PROHIBITED FROM BIDDING. (a) The commissioner shall provide
19 notice to the trustee if the commissioner finds that a health care
20 or benefit provider has terminated a contract with a physician or
21 provider for the provision of services solely because the physician
22 or provider informed an enrollee in a health coverage plan offered
23 or administered by the health care or benefit provider of the full
24 range of physicians and providers, including out-of-network
25 providers, available to the enrollee after previously being
26 sanctioned or penalized by the department for engaging in the
27 conduct described by this subsection.

1 (b) If the trustee receives notice under Subsection (a)
2 regarding a health care or benefit provider, the health care or
3 benefit provider is prohibited from submitting a bid under Section
4 [1579.054](#) for two competitive bidding cycles.

5 SECTION 4. This Act takes effect September 1, 2019.