

By: Burrows

H.B. No. 2525

A BILL TO BE ENTITLED

AN ACT

relating to participation in the health care market by enrollees of certain governmental managed care plans.

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

SECTION 1. Subtitle H, Title 8, Insurance Code, is amended by adding Chapter 1580 to read as follows:

CHAPTER 1580. HEALTH CARE MARKET PARTICIPATION FOR CERTAIN

GOVERNMENTAL MANAGED CARE PLANS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1580.0001. DEFINITIONS. In this chapter:

(1) "Enrollee" means an individual who is eligible to receive benefits for health care services through a health benefit plan.

(2) "Health benefit plan" means a plan to which this chapter applies under Section 1580.0002.

(3) "Health care provider" means a physician, hospital, pharmacy, pharmacist, laboratory, or other person or organization that furnishes health care services and that is licensed or otherwise authorized to practice in this state.

(4) "Health care service" means a service for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease.

(5) "Managed care plan" means a health benefit plan under which health care services are provided to enrollees through

1 contracts with health care providers and that requires enrollees to
2 use participating providers or that provides a different level of
3 coverage for enrollees who use participating providers.

4 (6) "Participating provider" means a health care
5 provider who has contracted with a health benefit plan issuer or
6 administrator to provide health care services to enrollees.

7 Sec. 1580.0002. APPLICABILITY OF CHAPTER. (a) This
8 chapter applies only with respect to nonemergency health care
9 services covered under a managed care plan.

10 (b) Notwithstanding any provision in Chapter 1551, 1575, or
11 1579 or any other law, this chapter applies only to:

12 (1) a basic coverage plan under Chapter 1551;

13 (2) a basic plan under Chapter 1575; and

14 (3) a health coverage plan under Chapter 1579.

15 (c) Notwithstanding any other law, this chapter applies to
16 an independent administrator, manager, or third-party
17 administrator of a health benefit plan described by this section.

18 Sec. 1580.0003. RULES. The board of trustees of the
19 Employees Retirement System of Texas or Teacher Retirement System
20 of Texas, as applicable, may adopt rules to implement this chapter.

21 SUBCHAPTER B. TRANSPARENCY TOOLS

22 Sec. 1580.0051. AVAILABILITY OF PRICE AND QUALITY
23 INFORMATION. (a) A health benefit plan issuer or administrator
24 shall provide by a toll-free telephone number and on its publicly
25 available Internet website an interactive mechanism that, for a
26 specific health care service, allows an enrollee to request and
27 obtain from the issuer or administrator:

1 (1) information on the payments made by the issuer or
2 administrator to participating providers under the enrollee's
3 health benefit plan sufficient for the enrollee to compare costs
4 for that service among participating providers, including costs for
5 that service among participating providers after an enrollee has
6 exceeded the enrollee's deductible;

7 (2) quality data on participating providers to the
8 extent that data is available; and

9 (3) an estimate of the enrollee's out-of-pocket costs
10 under the enrollee's health benefit plan.

11 (b) A health benefit plan issuer or administrator may
12 contract with a third-party vendor to satisfy the requirements of
13 this section.

14 Sec. 1580.0052. NOTICE TO ENROLLEES. A health benefit plan
15 issuer or administrator shall inform an enrollee requesting an
16 estimate under Section 1580.0051 that any out-of-pocket amount
17 provided is only an estimate and that the actual amount of the cost
18 and the amount the enrollee is responsible to pay for the service
19 may vary based upon unforeseen issues that arise in connection with
20 the proposed service.

21 Sec. 1580.0053. EFFECT OF SUBCHAPTER. This subchapter does
22 not prohibit a health benefit plan issuer or administrator from
23 imposing deductibles, copayments, or coinsurance under the health
24 benefit plan for a health care service that was not included in the
25 original estimate provided under Section 1580.0051.

26 SUBCHAPTER C. SHARED SAVINGS INCENTIVE PROGRAM

27 Sec. 1580.0101. ESTABLISHMENT OF INCENTIVE PROGRAM. A

1 health benefit plan issuer or administrator shall establish a
2 shared savings incentive program for all enrollees of the health
3 benefit plan. The program must provide an incentive paid in
4 accordance with this subchapter to an enrollee who elects to
5 receive a health care service from a participating provider who
6 provides a high-quality service at a reasonable cost, as determined
7 by the Employees Retirement System of Texas or the Teacher
8 Retirement System of Texas, as applicable.

9 Sec. 1580.0102. NOTICE TO ENROLLEES. The health benefit
10 plan issuer or administrator shall annually provide written notice
11 to enrollees about the program.

12 Sec. 1580.0103. INCENTIVE PAYMENTS. A health benefit plan
13 issuer or administrator may pay a program incentive in the form and
14 manner approved by the Employees Retirement System of Texas or
15 Teacher Retirement System of Texas, as applicable.

16 SECTION 2. Chapter 1580, Insurance Code, as added by this
17 Act, applies only to a health benefit plan for a plan year that
18 begins after the first open enrollment period that occurs on or
19 after January 1, 2020.

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