

By: Lucio III

H.B. No. 4536

A BILL TO BE ENTITLED

AN ACT

relating to the determination of a usual and customary amount under the Insurance Code.

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

SECTION 1. Subtitle A, Title 2, Insurance Code, is amended by adding Chapter 41 to read as follows:

CHAPTER 41. USUAL AND CUSTOMARY AMOUNTS

Sec. 41.0001. STANDARDIZED PROCEDURE. (a) The commissioner of insurance by rule shall adopt a standardized procedure to determine the usual and customary rate or amount for a particular medical care or health care service or supply, including a dental care service or supply, for purposes of this code.

(b) The procedure may include the use of a database or clearing house, a survey procedure, or any other mechanism that facilitates the determination of whether an amount is usual and customary.

Sec. 41.0002. SIMILAR STATUTORY PROVISIONS. For a provision of this code that establishes a payment standard for a medical care or health care service or supply using statutory language that is similar to "usual and customary," including "reasonable and customary" or "usual, customary, and reasonable," the commissioner by rule shall determine whether the provision is subject to the standardized procedure adopted under Section 41.0001.

1 Sec. 41.0003. USE OF PROCEDURE. (a) The issuer of any
2 health benefit plan regulated under this code, including a health
3 maintenance organization or a preferred provider organization,
4 must use the standardized procedure adopted under this chapter to
5 determine whether the amount of a rate, charge, claim, or analogous
6 payment to be paid to a physician, health care practitioner, or
7 other health care provider, including a dentist, for a medical care
8 or health care service or supply, including a dental care service or
9 supply, is the usual and customary amount for the service or supply.

10 (b) The standardized procedure adopted under this chapter
11 is applicable to the determination of the usual and customary rate
12 for a service or supply in a mediation conducted under Chapter [1467](#).

13 SECTION 2. Not later than December 31, 2019, the
14 commissioner of insurance shall adopt rules as necessary to
15 implement Chapter 41, Insurance Code, as added by this Act.

16 SECTION 3. The standardized procedure adopted under Chapter
17 41, Insurance Code, as added by this Act, does not apply to the
18 amount of a rate, charge, claim, or analogous payment to be paid for
19 a medical care or health care service or supply provided before
20 January 1, 2020.

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