

BILL ANALYSIS

Senate Research Center

S.B. 790
By: Zaffirini
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

"Balance billing" refers to a practice in which a medical provider first bills the patient's insurer for an amount exceeding the insurer's typical rate, and, upon receiving "incomplete" payment, then bills the patient for the balance. Travis County operates STAR Flight, a public emergency helicopter service that conducts air ambulance, technical rescue, firefighting, and law enforcement support missions in 20 Central Texas counties. As emergency service providers, air ambulances, including STAR Flight, often are out-of-network for their patients, which can lead to balance billing.

As a public entity, Travis County may prefer simply not to balance bill for STAR Flight services. Unfortunately, the county's interpretation of state law is that it must attempt to recoup any and all monies owed to it. Accordingly, the county uses third-party debt collection for unpaid bills, which is largely unsuccessful and actively undermines STAR Flight's reputation with the public.

S.B. 790 would authorize counties to consider a health benefit plan payment toward a claim for air ambulance services provided by the county as payment in full for those services regardless of the amount the county charged for them. The bill only would apply to air ambulance services owned and operated by a county—not air ambulance services provided by a private actor via a contractual arrangement with a county.

(Original Author's / Sponsor's Statement of Intent)

S.B. 790 amends current law relating to county and municipal authority to balance bill for county or municipal air or ground ambulance services and to a study regarding billing by ground ambulance service providers.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 113.902(a), Local Government Code, to create an exception under Section 140.013 to the requirement that the county treasurer direct prosecution for the recovery of any debt owed to the county, as provided by law, and to supervise the collection of the debt. Makes a nonsubstantive change.

SECTION 2. Amends Chapter 140, Local Government Code, by adding Section 140.013, as follows:

Sec. 140.013. BALANCE BILLING FOR COUNTY AND MUNICIPAL AMBULANCE SERVICES. (a) Defines "balance billing."

(b) Authorizes a county or municipality to elect to consider a health benefit plan payment towards a claim for air or ground ambulance services provided by the county or municipality as payment in full for those services regardless of the amount the county or municipality charged for those services.

(c) Prohibits a county or municipality from practicing balance billing for a claim for which the county or municipality makes an election under Subsection (b).

SECTION 3. (a) Defines "department."

(b) Requires the Texas Department of Insurance (TDI) to conduct a study on the balance billing practices of ground ambulance service providers, the variations in prices for ground ambulance services, the proportion of ground ambulances that are in-network, trends in network inclusion, and factors contributing to the network status of ground ambulances. Authorizes TDI to seek the assistance of the Department of State Health Services in conducting the study.

(c) Requires TDI, not later than December 1, 2022, to provide a written report of the results of the study conducted under Subsection (b) of this section to the governor, lieutenant governor, speaker of the Texas House of Representatives, and members of the standing committees of the legislature with primary jurisdiction over TDI.

(d) Provides that this section expires September 1, 2023.

SECTION 4. Effective date: September 1, 2021.