

By: Gates

H.B. No. 1527

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of a bundled-pricing program to reduce certain health care costs in the school employees and retirees group benefits programs.

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

SECTION 1. Chapter 1575, Insurance Code, is amended by adding Subchapter L to read as follows:

SUBCHAPTER L. BUNDLED-PRICING PROGRAM

Sec. 1575.551. BUNDLED-PRICING PROGRAM. (a) The trustee shall develop a cost-positive bundled-pricing program for health benefit plans provided under the group program.

(b) The bundled-pricing program must be designed to reduce health care costs in the group program by contracting with a health care facility, physician, or health care provider at a consolidated rate for an inpatient or outpatient surgery procedure that is a covered health care or medical service under a health benefit plan provided under the group program.

(c) A consolidated rate described by Subsection (b) must include all fees related to the covered surgery procedure, including fees for a facility, physician, health care provider, laboratory, prescription drug, or pharmacy service.

Sec. 1575.552. PARTICIPATION; COST-SHARING OBLIGATION.

(a) An enrollee may have an inpatient or outpatient surgery procedure under the bundled-pricing program.

1 (b) Except as provided by Subsection (c), the trustee or a
2 health care facility, physician, or health care provider may not
3 require an enrollee to pay a deductible, copayment, coinsurance, or
4 other cost-sharing obligation for a covered surgery procedure
5 provided under the bundled-pricing program.

6 (c) The trustee may require an enrollee in the high
7 deductible health plan established under Section 1575.158 to meet
8 the enrollee's deductible before the plan pays for a covered
9 surgery procedure provided under the bundled-pricing program.

10 Sec. 1575.553. PROVIDER PARTICIPATION. (a) A health care
11 facility, physician, or health care provider is not required to
12 participate in the bundled-pricing program.

13 (b) A health care facility may not coerce a facility-based
14 provider, as defined by Section 1575.172, to participate in the
15 bundled-pricing program or accept a lower rate for an inpatient or
16 outpatient surgery procedure.

17 Sec. 1575.554. PROMPT PAYMENT. The trustee shall ensure
18 that a health care facility, physician, or health care provider
19 that participates in the bundled-pricing program receives payment
20 for a covered surgery procedure not later than the 30th day after
21 the date the administrator receives a claim for the procedure that
22 includes all information necessary for the administrator to pay the
23 claim.

24 Sec. 1575.555. BUNDLED-PRICING DISCLOSURE. A health care
25 facility, physician, or health care provider that participates in
26 the bundled-pricing program may disclose a consolidated rate for an
27 inpatient or outpatient surgery procedure on the facility's,

1 physician's, or provider's Internet website and marketing
2 materials.

3 Sec. 1575.556. PUBLICATION OF INFORMATION. The trustee
4 shall publish information on the bundled-pricing program,
5 including a list of participating health care facilities,
6 physicians, and health care providers, on the Teacher Retirement
7 System of Texas website.

8 Sec. 1575.557. RULEMAKING. The trustee may adopt rules as
9 necessary to implement this subchapter.

10 SECTION 2. Chapter 1579, Insurance Code, is amended by
11 adding Subchapter H to read as follows:

12 SUBCHAPTER H. BUNDLED-PRICING PROGRAM

13 Sec. 1579.351. BUNDLED-PRICING PROGRAM. (a) The trustee
14 shall develop a cost-positive bundled-pricing program for health
15 coverage plans provided under the program.

16 (b) The bundled-pricing program must be designed to reduce
17 health care costs in the program by contracting with a health care
18 facility, physician, or health care provider at a consolidated rate
19 for an inpatient or outpatient surgery procedure that is a covered
20 health care or medical service under a health coverage plan
21 provided under the program.

22 (c) A consolidated rate described by Subsection (b) must
23 include all fees related to the covered surgery procedure,
24 including fees for a facility, physician, health care provider,
25 laboratory, prescription drug, or pharmacy service.

26 Sec. 1579.352. PARTICIPATION; COST-SHARING OBLIGATION.

27 (a) An enrollee may have an inpatient or outpatient surgery

1 procedure under the bundled-pricing program.

2 (b) The trustee or a health care facility, physician, or
3 health care provider may not require an enrollee to pay a
4 deductible, copayment, coinsurance, or other cost-sharing
5 obligation for a covered surgery procedure provided under the
6 bundled-pricing program.

7 Sec. 1579.353. PROVIDER PARTICIPATION. (a) A health care
8 facility, physician, or health care provider is not required to
9 participate in the bundled-pricing program.

10 (b) A health care facility may not coerce a facility-based
11 provider, as defined by Section 1579.110, to participate in the
12 bundled-pricing program or accept a lower rate for an inpatient or
13 outpatient surgery procedure.

14 Sec. 1579.354. PROMPT PAYMENT. The trustee shall ensure
15 that a health care facility, physician, or health care provider
16 that participates in the bundled-pricing program receives payment
17 for a covered surgery procedure not later than the 30th day after
18 the date the administrator receives a claim for the procedure that
19 includes all information necessary for the administrator to pay the
20 claim.

21 Sec. 1579.355. BUNDLED-PRICING DISCLOSURE. A health care
22 facility, physician, or health care provider that participates in
23 the bundled-pricing program may disclose a consolidated rate for an
24 inpatient or outpatient surgery procedure on the facility's,
25 physician's, or provider's Internet website and marketing
26 materials.

27 Sec. 1579.356. PUBLICATION OF INFORMATION. The trustee

1 shall publish information on the bundled-pricing program,
2 including a list of participating health care facilities,
3 physicians, and health care providers, on the Teacher Retirement
4 System of Texas website.

5 Sec. 1579.357. RULEMAKING. The trustee may adopt rules as
6 necessary to implement this subchapter.

7 SECTION 3. This Act takes effect September 1, 2021.