

By: Bonnen

H.B. No. 4012

A BILL TO BE ENTITLED

AN ACT

relating to an explanation of benefits provided by certain health benefit plans to enrollees regarding certain preauthorized medical care and health care services.

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

SECTION 1. Subchapter F, Chapter 843, Insurance Code, is amended by adding Section 843.2025 to read as follows:

Sec. 843.2025. EXPLANATION OF BENEFITS FOR CERTAIN PREAUTHORIZED SERVICES. (a) In this section:

(1) "Elective" means non-emergent and able to be scheduled at least 24 hours in advance.

(2) "Licensed medical facility" means:

(A) a hospital licensed under Chapter 241, Health and Safety Code;

(B) an ambulatory surgical center licensed under Chapter 243, Health and Safety Code; or

(C) a birthing center licensed under Chapter 244, Health and Safety Code.

(3) "Preauthorization" has the meaning assigned by Section 843.348.

(b) This section does not apply to coverage under:

(1) the child health plan program under Chapter 62, Health and Safety Code, or the health benefits plan for children under Chapter 63, Health and Safety Code; or

1 (2) the state Medicaid program, including a Medicaid
2 managed care program operated under Chapter 533, Government Code.

3 (c) A health maintenance organization that preauthorizes an
4 enrollee's health care service shall provide an explanation of
5 benefits to the enrollee at the time the health maintenance
6 organization issues a determination preauthorizing the service if
7 the service:

8 (1) will be provided at a licensed medical facility;

9 (2) is elective; and

10 (3) must be preauthorized as a condition of payment by
11 the health maintenance organization for the service.

12 SECTION 2. Subchapter C-1, Chapter 1301, Insurance Code, is
13 amended by adding Section 1301.1355 to read as follows:

14 Sec. 1301.1355. EXPLANATION OF BENEFITS FOR CERTAIN
15 PREAUTHORIZED SERVICES. (a) In this section:

16 (1) "Elective" means non-emergent and able to be
17 scheduled at least 24 hours in advance.

18 (2) "Licensed medical facility" means:

19 (A) a hospital licensed under Chapter 241, Health
20 and Safety Code;

21 (B) an ambulatory surgical center licensed under
22 Chapter 243, Health and Safety Code; or

23 (C) a birthing center licensed under Chapter 244,
24 Health and Safety Code.

25 (b) An insurer that preauthorizes an insured's medical care
26 or health care service shall provide an explanation of benefits to
27 the insured at the time the insurer issues a determination

1 preauthorizing the service if the service:

2 (1) will be provided at a licensed medical facility;

3 (2) is elective; and

4 (3) must be preauthorized as a condition of payment by
5 the insurer for the service.

6 SECTION 3. The changes in law made by this Act apply only to
7 a health benefit plan that is delivered, issued for delivery, or
8 renewed on or after January 1, 2022.

9 SECTION 4. This Act takes effect January 1, 2022.