

## **BILL ANALYSIS**

Senate Research Center  
88R5707 LRM-D

S.B. 490  
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Health & Human Services  
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### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Medical bills are confusing enough as it is—but in many cases, providers send a patient a single "balance due" bill that does not actually disclose what services were performed and what charges are made. An itemized bill is an important patient protection that helps ensure that patients know what they are being charged for, and that the bill is correct. The lack of an itemized bill does not allow transparency. Patients are not able to check to make sure that the correct services were billed or recorded. The lack of an itemized bill continues to hide actual prices from patients, even after they are being told what they owe. While patients are theoretically entitled to an itemized bill upon request, actually getting ahold of a billing department representative who can provide one can be much more difficult than it should be.

S.B. 490 requires that a medical provider send an itemized bill prior to attempting to collect any money from the patient. If the provider is not attempting to collect any money from the patient, the provider is not required to send the itemized bill.

The bill must include an itemized list of each medical service provided, the amount the provider will accept as payment in full for that service, and a plain language description of the service.

As proposed, S.B. 490 amends current law relating to itemized billing for health care services and supplies provided by health care 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 Title 2, Health and Safety Code, by adding Subtitle J, as follows:

#### **SUBTITLE J. PAYMENT FOR HEALTH CARE SERVICES AND SUPPLIES**

##### **CHAPTER 185. HEALTH CARE BILLING**

Sec. 185.001. DEFINITIONS. Defines "debt collection," "health care provider," and "health care service."

Sec. 185.002. ITEMIZED BILL REQUIRED. (a) Requires a health care provider that requests payment from a patient for a health care service or related supply provided to the patient to submit with the request a written, itemized bill of charges for all health care services and supplies provided to the patient during the patient's visit to the provider.

(b) Requires that the itemized bill include:

(1) the amount the health care provider agrees to accept as full payment for each health care service and supply that provider provided to the patient;

(2) a plain language description of each distinct health care service or supply; and

(3) if reimbursement is sought from a third party, any billing code submitted to the third party and the amounts billed to and paid by that third party.

(c) Authorizes a health care provider to issue the itemized bill electronically, including through a patient portal on the provider's Internet website.

(d) Entitles a patient to obtain from the health care provider an itemized bill on request at any time after the itemized bill is initially issued under Subsection (a).

(e) Prohibits a health care provider from pursuing debt collection against a patient for a provided health care service or supply unless the provider has complied with this section.

Sec. 185.003. DISCIPLINARY ACTION BY LICENSING AUTHORITY. Authorizes the appropriate licensing authority to take disciplinary action against a health care provider that violates this chapter as if the provider violated an applicable licensing law.

SECTION 2. Effective date: September 1, 2023.