88R23974 MEW-F

By:  Frank, Harless, Collier H.B. No. 633

Substitute the following for H.B. No. 633:

By:  Harless C.S.H.B. No. 633

A BILL TO BE ENTITLED

AN ACT

relating to the method of payment for certain health care provided by a hospital.

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

SECTION 1.  Chapter 1204, Insurance Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. DIRECT PAYMENT OF HOSPITAL

Sec. 1204.301.  DEFINITIONS. In this subchapter:

(1)  "Enrollee" means an individual who is enrolled in a health benefit plan or otherwise entitled to coverage under a health benefit plan.

(2)  "Health benefit plan" means an individual, group, blanket, or franchise insurance policy, a group hospital service contract, or an individual or group subscriber contract or evidence of coverage issued by a health maintenance organization, that provides benefits for health care services. The term does not include:

(A)  the state Medicaid program, including the Medicaid managed care program operated under Chapter 533, Government Code;

(B)  the child health plan program operated under Chapter 62, Health and Safety Code; or

(C)  Medicare benefits.

(3)  "Health care service" means a service to diagnose, prevent, alleviate, cure, or heal a human illness or injury that is provided to an individual by a physician or other health care provider.

(4)  "Hospital" means a public or private institution licensed under Chapter 241, Health and Safety Code. The term does not include an ambulatory surgical center licensed under Chapter 243, Health and Safety Code.

Sec. 1204.302.  APPLICABILITY TO CERTAIN PLANS. In addition to the health benefit plans described by Section 1204.301, notwithstanding any other law, this subchapter applies to:

(1)  a basic coverage plan under Chapter 1551;

(2)  a basic plan under Chapter 1575;

(3)  a primary care coverage plan under Chapter 1579; and

(4)  a plan providing basic coverage under Chapter 1601.

Sec. 1204.303.  PAYMENT IN LIEU OF CLAIM FOR BENEFITS; OTHER DIRECT PAYMENTS. (a) At the request of a patient, including a patient who is an enrollee, and subject to Subsection (b), a hospital must accept directly from the patient full payment for a health care service provided in the hospital. If the payment is made by an enrollee, the hospital must accept that payment in lieu of submitting a claim to the enrollee's health benefit plan.

(b)  A request under Subsection (a) must be made not later than the 60th day after the date on which the health care service is provided.

(c)  Notwithstanding Section 552.003 or any other law, the amount of the payment for a health care service for which a hospital accepts payment as described by Subsection (a) for a service provided in the hospital may not exceed the lowest contracted rate for the health care service that the hospital has agreed to accept as payment in full as a contracted, preferred, or participating provider of a health benefit plan.

SECTION 2.  This Act takes effect September 1, 2023.