By:  Muñoz, Jr. H.B. No. 1364

A BILL TO BE ENTITLED

AN ACT

relating to a direct payment to a health care provider in lieu of a claim for benefits under a health benefit plan.

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 TO HEALTH CARE PROVIDER

Sec. 1204.301.  DEFINITION. In this subchapter, "health care provider" means a health care practitioner or health care facility that provides health care services under a license, certificate, registration, or other similar evidence of regulation issued by this or another state of the United States.

Sec. 1204.302.  APPLICABILITY OF SUBCHAPTER. (a) This subchapter applies only to a health benefit plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is offered by:

(1)  an insurance company;

(2)  a group hospital service corporation operating under Chapter 842;

(3)  a health maintenance organization operating under Chapter 843;

(4)  an approved nonprofit health corporation that holds a certificate of authority under Chapter 844;

(5)  a multiple employer welfare arrangement that holds a certificate of authority under Chapter 846;

(6)  a stipulated premium company operating under Chapter 884;

(7)  a fraternal benefit society operating under Chapter 885;

(8)  a Lloyd's plan operating under Chapter 941; or

(9)  an exchange operating under Chapter 942.

(b)  Notwithstanding any other law, this subchapter applies to:

(1)  a small employer health benefit plan subject to Chapter 1501, including coverage provided through a health group cooperative under Subchapter B of that chapter;

(2)  a standard health benefit plan issued under Chapter 1507;

(3)  a basic coverage plan under Chapter 1551;

(4)  a basic plan under Chapter 1575;

(5)  a primary care coverage plan under Chapter 1579;

(6)  a plan providing basic coverage under Chapter 1601;

(7)  health benefits provided by or through a church benefits board under Subchapter I, Chapter 22, Business Organizations Code;

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

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

(10)  a regional or local health care program operated under Section 75.104, Health and Safety Code;

(11)  a self-funded health benefit plan sponsored by a professional employer organization under Chapter 91, Labor Code;

(12)  county employee group health benefits provided under Chapter 157, Local Government Code; and

(13)  health and accident coverage provided by a risk pool created under Chapter 172, Local Government Code.

Sec. 1204.303.   DIRECT PAYMENT IN LIEU OF CLAIM FOR BENEFITS; EFFECT ON PLAN.  (a)  A health care provider may not be prohibited from accepting directly from an enrollee full payment for a health care service in lieu of submitting a claim to the enrollee's health benefit plan.

(b)  Notwithstanding Section 552.003 or any other law, a health care provider's discounted cash price for services rendered is considered full payment for purposes of Subsection (a).

(c)  A health benefit plan shall apply the charge for a health care service for which a health care provider accepts a payment described by Subsection (a) from an enrollee towards the enrollee's out-of-pocket maximum if the service is a covered service under the plan. Payments for uncovered services are ineligible to apply towards an enrollee's out-of-pocket maximum.

SECTION 2.  If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 3.  Section 1204.303, Insurance Code, as added by this Act, applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2024.

SECTION 4.  This Act takes effect September 1, 2023.