By:  Bonnen H.B. No. 4893

A BILL TO BE ENTITLED

AN ACT

relating to unconditional designation of hospitals as participating providers in a managed care plan.

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

SECTION 1.  Subtitle F, Title 8, Insurance Code, is amended by adding Chapter 1462 to read as follows:

CHAPTER 1462. UNCONDITIONAL DESIGNATION AS PREFERRED PROVIDER

Sec. 1462.001.  DEFINITIONS. In this chapter:

(1)  "Hospital" means a licensed public or private institution as defined by Chapter 241, Health and Safety Code, or Subtitle C, Title 7, Health and Safety Code.

(2)  "Managed care plan" means a health benefit plan under which health care services are provided to enrollees through contracts with hospitals and that requires enrollees to use participating hospitals or that provides a different level of coverage for enrollees who use participating hospitals. The term includes a health benefit plan issued by:

(A)  a health maintenance organization;

(B)  a preferred provider benefit plan issuer; or

(C)  any other entity that issues a health benefit plan, including an insurance company.

(3)  "Participating hospital" means a hospital that has directly or indirectly contracted with a health benefit plan issuer to provide services to enrollees.

Sec. 1462.002.  APPLICABILITY OF CHAPTER. (a) Notwithstanding any other law, this chapter 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)  basic coverage under Chapter 1601.

(b)  Notwithstanding any other law, this chapter applies to coverage under:

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

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

Sec. 1462.003.  UNCONDITIONAL DESIGNATION AS PARTICIPATING HOSPITAL. Notwithstanding any other law, any hospital may apply for a designation as a participating provider in a managed care plan, and the managed care plan issuer or administrator shall designate the hospital as a participating hospital in the plan.

Sec. 1462.004.  REQUIRED REIMBURSEMENT RATE. A managed care plan shall reimburse a participating physician designated under Section 1462.003 at a rate 90% of the highest contracted rated for the same service

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.  Chapter 1462, 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.