

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

1 Chapter 843;

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

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

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

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

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

11 (9) an exchange operating under Chapter 942.

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

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

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

19 (3) a basic coverage plan under Chapter 1551;

20 (4) a basic plan under Chapter 1575;

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

22 (6) a plan providing basic coverage under Chapter
23 1601;

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

27 (8) the state Medicaid program, including the Medicaid

1 managed care program operated under Chapter 533, Government Code;

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

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

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

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

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

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

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

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

26 SECTION 2. If before implementing any provision of this Act
27 a state agency determines that a waiver or authorization from a

1 federal agency is necessary for implementation of that provision,
2 the agency affected by the provision shall request the waiver or
3 authorization and may delay implementing that provision until the
4 waiver or authorization is granted.

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

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