

By: Frank

H.B. No. 2414

A BILL TO BE ENTITLED

AN ACT

relating to the relationship between a physician or health care provider and a health maintenance organization or insurer.

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

SECTION 1. Section 101.055(a), Insurance Code, is amended to read as follows:

(a) Section 101.051(b)(7) does not apply to:

(1) a program otherwise authorized by law that is established:

(A) by a political subdivision of this state;

(B) by a state agency; or

(C) under Chapter 791, Government Code; ~~or~~

(2) a multiple employer welfare arrangement that is fully insured as defined by 29 U.S.C. Section 1144(b)(6); or

(3) a self-funded employee welfare benefit plan that accesses a value-based risk sharing contract arrangement entered into by an authorized health insurer or health maintenance organization and a health care provider or group of health care providers.

SECTION 2. Subchapter I, Chapter 843, Insurance Code, is amended by adding Section 843.322 to read as follows:

Sec. 843.322. INCENTIVES TO USE CERTAIN PHYSICIANS OR PROVIDERS. A health maintenance organization may provide incentives for enrollees to use certain physicians or providers

1 through modified deductibles, copayments, coinsurance, or other
2 cost-sharing provisions.

3 SECTION 3. Section 1301.0045(a), Insurance Code, is amended
4 to read as follows:

5 (a) Except as provided by Sections [~~Section~~] 1301.0046 and
6 1301.0047, this chapter may not be construed to limit the level of
7 reimbursement or the level of coverage, including deductibles,
8 copayments, coinsurance, or other cost-sharing provisions, that
9 are applicable to preferred providers or, for plans other than
10 exclusive provider benefit plans, nonpreferred providers.

11 SECTION 4. Subchapter A, Chapter 1301, Insurance Code, is
12 amended by adding Section 1301.0047 to read as follows:

13 Sec. 1301.0047. INCENTIVES TO USE CERTAIN PHYSICIANS OR
14 HEALTH CARE PROVIDERS. An insurer may provide incentives for
15 insureds to use certain physicians or health care providers through
16 modified deductibles, copayments, coinsurance, or other
17 cost-sharing provisions.

18 SECTION 5. Subchapter A, Chapter 1301, Insurance Code, is
19 amended by adding Section 1301.0065 to read as follows:

20 Sec. 1301.0065. COMPENSATION OF PHYSICIANS OR PROVIDERS
21 UNDER HEALTH CARE SERVICES ARRANGEMENTS. (a) A preferred provider
22 benefit plan may provide or arrange for health care services with a
23 physician or health care provider through a contract or
24 subcontract for compensation under:

25 (1) a fee-for-service arrangement;

26 (2) a risk-sharing arrangement; or

27 (3) a capitation arrangement under which a fixed

1 predetermined payment is made in exchange for the provision of, or
2 for the arrangement to provide and the guaranty of the provision of,
3 a defined set of covered services to covered persons for a
4 specified period without regard to the quantity of services
5 actually provided.

6 (b) A physician or health care provider that enters into a
7 contract or subcontract described by Subsection (a) is not
8 considered to be engaging in the business of insurance.

9 SECTION 6. This Act takes effect September 1, 2023.