

By: Bonnen

H.B. No. 5186

A BILL TO BE ENTITLED

AN ACT

relating to certain limitations on reimbursements paid for inpatient and outpatient hospital services for certain publicly funded health benefit plan coverage for employees and retirees.

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

SECTION 1. Section 1551.205, Insurance Code, is amended to read as follows:

Sec. 1551.205. MAXIMUM RATES FOR FACILITIES; LIMITATIONS.

(a) Disregarding any contradictory contract terms or any other law to the contrary, any facility, as such term is defined by Section 324.001 of the Health and Safety Code, that bills the group benefits program, its administering firm, carrier, or their designee, for health care services provided to an enrolled employee or dependent will never be entitled to a rate for such health care services that exceed the rate established in the applicable rider in the General Appropriations Act, Article I, Employees Retirement System of Texas.

(b) A facility shall not discriminate against an employee or dependent, or against the program, by refusing to participate in an administering firm's or health coverage plan's network, or by refusing to serve an employee or dependent, or by providing health care services of a lower standard and quality to an employee or dependent than what the facility provides to other similar patients, because of the maximum rating schedule imposed by

1 subsection (a) of this section.

2       (c) The board of trustees may not contract for or provide a  
3 coverage plan that:

4           (1) excludes or limits coverage or services for  
5 acquired immune deficiency syndrome, as defined by the Centers for  
6 Disease Control and Prevention of the United States Public Health  
7 Service, or human immunodeficiency virus infection;

8           (2) provides coverage for serious mental illness that  
9 is less extensive than the coverage provided for any physical  
10 illness; or

11          (3) may provide coverage for prescription drugs to  
12 assist in stopping smoking at a lower benefit level than is provided  
13 for other prescription drugs.

14       SECTION 2. Section [1575.104](#), Insurance Code, is amended to  
15 read as follows:

16       Sec. 1575.104. TERMS OF CONTRACT; MAXIMUM RATES FOR  
17 FACILITIES. (a) A contract for group coverage awarded by the  
18 trustee must meet the minimum benefit and financial standards  
19 adopted by the trustee.

20       (b) Disregarding any contradictory contract terms or any  
21 other law to the contrary, any facility, as such term is defined by  
22 Section [324.001](#) of the Health and Safety Code, that bills the group  
23 program, its administrator, carrier, or their designee, for health  
24 care services provided to an enrolled retiree or dependent will  
25 never be entitled to a rate for such health care services that  
26 exceeds the rate established in the applicable rider in the General  
27 Appropriations Act, Article III, Teacher Retirement System.

1        (c) A facility shall not discriminate against a retiree or  
2 dependent, or against the group program, by refusing to participate  
3 in a group program administrator's or carrier's network, or by  
4 refusing to serve a retiree or dependent, or by providing health  
5 care services of a lower standard and quality to a retiree or  
6 dependent than what the facility provides to other similar  
7 patients, because of the maximum rating schedule imposed by  
8 subsection (b) of this section.

9        SECTION 3. Subchapter B, Chapter 1579, Insurance Code, is  
10 amended by adding Section 1579.0511, Insurance Code, to read as  
11 follows:

12        Sec. 1579.0511. MAXIMUM RATES FOR FACILITIES. (a)  
13 Disregarding any contradictory contract terms or any other law to  
14 the contrary, any facility, as such term is defined by Section  
15 324.001 of the Health and Safety Code, that bills the program, its  
16 administering firm, health coverage plan, or their designee, for  
17 health care services provided to an enrolled employee or dependent  
18 will never be entitled to a rate for such health care services that  
19 exceeds the rate established in the applicable rider in the General  
20 Appropriations Act, Article III, Teacher Retirement System.

21        (b) A facility shall not discriminate against an employee or  
22 dependent, or against the program, by refusing to participate in an  
23 administering firm's or health coverage plan's network, or by  
24 refusing to serve an employee or dependent, or by providing health  
25 care services of a lower standard and quality to an employee or  
26 dependent than what the facility provides to other similar  
27 patients, because of the maximum rating schedule imposed by

1 subsection (a) of this section.

2       SECTION 4. Subchapter B of Chapter 1601, Insurance Code, is  
3 amended by adding Section 1601.0581, Insurance Code, to read as  
4 follows:

5       Sec. 1601.0581. MAXIMUM RATES FOR FACILITIES. (a)  
6 Disregarding any contradictory contract terms or any other law to  
7 the contrary, any facility, as such term is defined by Section  
8 324.001 of the Health and Safety Code, that bills the uniform  
9 program, its administering carrier, or their designee, for health  
10 care services provided to an enrolled employee, retiree, or  
11 dependent will never be entitled to a rate for such health care  
12 services that exceeds the rate established in the applicable rider  
13 in the General Appropriations Act, Article III, University of Texas  
14 System and Texas A&M University System.

15       (b) A facility shall not discriminate against an employee,  
16 retiree, or dependent, or against the uniform program, by refusing  
17 to participate in an administering carrier's network, or by  
18 refusing to serve an employee, retiree, or dependent, or by  
19 providing health care services of a lower standard and quality to an  
20 employee, retiree, or dependent than what the facility provides to  
21 other similar patients, because of the maximum rating schedule  
22 imposed by subsection (a) of this section.

23       SECTION 4. The maximum rating schedules imposed by Section  
24 1551.202, Insurance Code, Section 1575.104, Insurance Code, as  
25 amended by this Act, Section 1579.0511, Insurance Code, and Section  
26 1601.0581, Insurance Code, as added by this Act, shall apply to any  
27 bill for health care services provided by a facility with dates of

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1 service beginning on or after September 1, 2024.

2 SECTION 5. This Act takes effect September 1, 2023.