

By: Kolkhorst

S.B. No. 358

A BILL TO BE ENTITLED

AN ACT

relating to establishment of a shared savings program for certain managed care plans.

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

SECTION 1. Subtitle C, Title 8, Insurance Code, is amended by adding Chapter 1276 to read as follows:

CHAPTER 1276. SHARED SAVINGS PROGRAM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1276.001. DEFINITIONS. In this chapter:

(1) "Health care provider" means a health care practitioner or health care facility that provides health care services or supplies under a license, certificate, registration, or similar authorization issued by this state.

(2) "Managed care plan" means a health benefit plan under which health care services or supplies are provided to enrollees through contracts with health care providers and that requires enrollees to use contracting providers or that provides a different level of coverage for enrollees who use contracting providers.

(3) "Out-of-network provider" means a health care provider of any health care service or supply that does not have a contract under an enrollee's health benefit plan.

(4) "Program" means the shared savings program established under this chapter.

1 Sec. 1276.002. APPLICABILITY OF CHAPTER. (a) This chapter
2 applies only with respect to nonemergency health care services or
3 supplies covered under a managed care plan.

4 (b) This chapter applies only to the following health
5 benefit plans:

6 (1) a health benefit plan provided by a health
7 maintenance organization operating under Chapter 843;

8 (2) a preferred provider benefit plan provided under
9 Chapter 1301; or

10 (3) a basic coverage plan provided under Chapter 1551.

11 (c) Notwithstanding any other law, this chapter applies to
12 an administrator of a health benefit plan described by this
13 section.

14 Sec. 1276.003. RULES. The commissioner may adopt rules
15 necessary to implement this chapter.

16 SUBCHAPTER B. PROGRAM REQUIREMENTS

17 Sec. 1276.051. PROGRAM REQUIRED. (a) A health benefit plan
18 issuer or administrator to which this chapter applies shall
19 establish a shared savings program in accordance with this chapter.

20 (b) A health benefit plan issuer or administrator shall
21 provide written notice to its enrollees of the program.

22 Sec. 1276.052. AVERAGE CONTRACTED RATE DISCLOSURE. (a) As
23 part of the program, a health benefit plan issuer or administrator
24 shall establish and operate a toll-free telephone number and
25 publicly accessible Internet website for a plan enrollee to request
26 that the plan disclose to the enrollee the average contracted rate
27 paid under the plan to a health care provider in the plan's provider

1 network for a particular health care service or supply in the
2 preceding 12 months.

3 (b) A health benefit plan issuer or administrator shall
4 disclose to the enrollee the amount requested by the enrollee under
5 Subsection (a).

6 Sec. 1276.053. HEALTH CARE PROVIDER ESTIMATE. An
7 out-of-network provider shall, on an enrollee's request, provide
8 the enrollee a written estimate of the final charge for a proposed
9 health care service or supply that is eligible for the enrollee's
10 program. The estimate must include all costs associated with the
11 service or supply and reflect the enrollee's final out-of-pocket
12 cost associated with the proposed service or supply.

13 Sec. 1276.054. SHARED SAVINGS PAYMENT. (a) Except as
14 provided by Subsection (b), if an enrollee who requests a
15 disclosure under Section 1276.052 elects and receives a health care
16 service or supply the actual cost of which is less than the amount
17 disclosed under Section 1276.052, the health benefit plan issuer or
18 administrator shall pay to the enrollee 50 percent of the
19 difference between the amount disclosed under Section 1276.052 and
20 the actual cost, minus any applicable deductible, copayment, or
21 coinsurance.

22 (b) A health benefit plan issuer is not required to pay an
23 enrollee under Subsection (a) if the difference described by that
24 subsection is less than \$50.

25 (c) A health benefit plan issuer or administrator shall pay
26 an enrollee under Subsection (a) not later than the 30th day after
27 the date on which the enrollee submits a program claim.

1 Sec. 1276.055. DEDUCTIBLES UNDER PROGRAM. (a) This section
2 applies only to a health care service or supply for which an
3 enrollee received:

4 (1) a disclosure under Section 1276.052; and

5 (2) an estimate under Section 1276.053 that is at
6 least \$50 less than the amount provided under the disclosure.

7 (b) A health benefit plan issuer or administrator shall
8 apply the same deductible to a health care service or supply to
9 which this section applies as would be applied to a network service
10 or supply.

11 Sec. 1276.056. LIABILITY FOR UNFORESEEN CHARGE OVER
12 ESTIMATE. If the final charge for the health care service or supply
13 described by Section 1276.055(a) is greater than the estimate
14 provided under Section 1276.053 due to unforeseen circumstances,
15 the enrollee's health benefit plan issuer or administrator shall
16 pay 95 percent of the difference up to the allowed amount for the
17 service or supply and the enrollee is responsible for the remaining
18 difference.

19 SECTION 2. Chapter 1276, Insurance Code, as added by this
20 Act, applies only to a health benefit plan delivered, issued for
21 delivery, or renewed on or after January 1, 2024.

22 SECTION 3. This Act takes effect September 1, 2023.