

By: Perry

S.B. No. 2442

A BILL TO BE ENTITLED

AN ACT

relating to unconditional designation of physicians 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) "Managed care plan" means a health benefit plan under which health care services are provided to enrollees through contracts with physicians and that requires enrollees to use participating physicians or that provides a different level of coverage for enrollees who use participating physicians. 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.

(2) "Participating physician" means a physician who has directly or indirectly contracted with a health benefit plan issuer to provide services to enrollees.

(3) "Physician" means an individual licensed to practice medicine in this state. The term does not include an individual

holding a license to practice administrative medicine under Section 155.009, Occupations Code.

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) a 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 PHYSICIAN. Notwithstanding any other law, any physician 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 physician as a participating physician 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 rate 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,

1 the agency affected by the provision shall request the waiver or
2 authorization and may delay implementing that provision until the
3 waiver or authorization is granted.

4 SECTION 3. Chapter 1462, Insurance Code, as added by this
5 Act, applies only to a health benefit plan delivered, issued for
6 delivery, or renewed on or after January 1, 2024.

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