

BILL ANALYSIS

H.B. 1642
By: Cain
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill author has informed the committee that chiropractors who join an established professional practice often face delays in the credentialing process with managed care plans, preventing them from receiving payments for services rendered to enrollees. The bill author has further informed the committee that these administrative delays create financial burdens on providers and limit patient access to care. H.B. 1642 seeks to address this issue by providing for an expedited credentialing process under certain circumstances and ensuring that patients are held harmless if a chiropractor ultimately fails to meet credentialing requirements.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1642 amends the Insurance Code to provide for an expedited credentialing process for a chiropractor who joins an established professional practice, defined by the bill as a business entity owned by one or more chiropractors or physicians, that has a contract with a managed care plan. The bill makes eligible for expedited credentialing and payment under the bill's provisions a chiropractor who meets the following criteria:

- is licensed in Texas by, and in good standing with, the Texas Board of Chiropractic Examiners;
- submits all documentation and other information required by the managed care plan issuer to begin the credentialing process required for the issuer to include the chiropractor in the plan's network; and
- agrees to comply with the terms of the managed care plan's participating provider contract with the chiropractor's established professional practice.

The bill requires a managed care plan issuer, for payment purposes only, to treat a chiropractor who is applying for expedited credentialing and has submitted the required eligibility information as if the applicant is a participating provider in the plan's network when the applicant provides services to the plan's enrollees, including authorizing the applicant to collect copayments from the enrollees and making payments to the applicant. The bill authorizes a managed care plan issuer, pending the approval of a chiropractor's application for expedited credentialing, to exclude the applicant from the plan's directory, website listing, or other listing of participating providers.

H.B. 1642 authorizes a managed care plan issuer that determines on completion of the credentialing process that an applicant does not meet the issuer's credentialing requirements to recover from the applicant or the applicant's professional practice an amount equal to the difference between payments for in-network benefits and out-of-network benefits. However, the bill authorizes the applicant or the applicant's professional practice to retain any copayments collected or in the process of being collected as of the date of the determination. The bill does the following with respect to a chiropractor who is ineligible for expedited credentialing based on such a determination:

- establishes that a plan enrollee is not responsible and must be held harmless for the difference between in-network copayments paid by the enrollee to the chiropractor and for the enrollee's managed care plan's charges for out-of-network services; and
- prohibits the chiropractor and the chiropractor's professional practice from charging the enrollee for any portion of the chiropractor's fee that is not paid or reimbursed by the plan.

The bill exempts a managed care plan issuer that complies with the bill's provisions from liability for damages arising out of or in connection with, directly or indirectly, the payment by the issuer of a chiropractor treated as if the chiropractor is a participating provider in the plan's network.

EFFECTIVE DATE

September 1, 2025.