

BILL ANALYSIS

Senate Research Center

S.B. 916
By: Zaffirini
Health & Human Services
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2019 the Texas Legislature passed S.B. 1264, also known as the Surprise Billing Act, authored by Senator Hancock (R-North Richland Hills). Prior to this law, when a health insurer refused to pay the full amount charged by an out-of-network doctor for a medical procedure, the doctor could bill the patient for the balance of the cost, often resulting in unexpected bills for patients. S.B. 1264, however, did not cover ground-ambulance services provided by municipalities, which continued to engage in balance billing until the passage of S.B. 2476 (2023) by Senator Zaffirini (D-Laredo). This bill prohibited ground-ambulance services provided by municipalities from engaging in balance billing. It ensured patients were not charged exorbitant prices for urgent trips to the hospital.

Anticipating passage of federal legislation that did not materialize, S.B. 2476 had an expiration date of September 1, 2025. S.B. 916 would extend the expiration date provided by S.B. 2476 from September 1, 2025, to September 1, 2027, continuing protections against balance billing for persons utilizing municipal ground-ambulance services. What's more, S.B. 916 would ensure locally set rates for municipal ground-ambulance services do not exceed inflationary rates.

S.B. 916 amends current law relating to consumer protections against certain medical and health care billing by emergency medical services providers.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 773.061, Health and Safety Code, by adding Subsection (a-1), as follows:

(a-1) Authorizes the Department of State Health Services (DSHS), in addition to other permissible actions or penalties and regardless of whether an emergency medical services provider is directly operated by a governmental entity, to revoke, suspend, or refuse to renew a license or certificate of the provider if DSHS confirms that the provider has intentionally submitted incorrect information required under Section 38.006 (Emergency Medical Services Provider Balance Billing Rate Database), Insurance Code, or engaged in a pattern of violations of certain sections under that code.

SECTION 2. Amends Section 38.006(b), Insurance Code, to provide that this section expires September 1, 2027, rather than September 1, 2025.

SECTION 3. Amends Sections 1271.159(c) and (g), Insurance Code, as follows:

(c) Authorizes a political subdivision to annually adjust a rate submitted under Section 38.006 by not more than the lesser of:

(1) the Medicare Ambulance Inflation Factor, rather than the Medicare Inflation Index; or

(2) creates this subdivision from existing text and makes no further changes.

Deletes existing text requiring a health maintenance organization to adjust payment required by Subsection (b)(1) (relating to requiring a health maintenance organization to pay for certain healthcare services) each plan year by increasing the payment by certain factors. Makes a nonsubstantive change.

(g) Provides that Section 1271.159 (Non-Network Emergency Medical Services Provider) expires September 1, 2027, rather than September 1, 2025.

SECTION 4. Amends Sections 1275.054(c) and (f), Insurance Code, to make conforming changes.

SECTION 5. Amends Sections 1301.166(c) and (g), Insurance Code, to make conforming changes.

SECTION 6. Amends Sections 1551.231(c) and (f), Insurance Code, to make conforming changes.

SECTION 7. Amends Sections 1575.174(c) and (f), Insurance Code, to make conforming changes.

SECTION 8. Amends Sections 1579.112(c) and (f), Insurance Code, to make conforming changes.

SECTION 9. Makes application of this Act prospective.

SECTION 10. Effective date: September 1, 2025.