

BILL ANALYSIS

S.B. 916
By: Zaffirini
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Last session, S.B. 2476 by Senator Zaffirini (D-Laredo) prohibited ground-ambulance services provided by municipalities from engaging in balance billing of patients. 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, thereby continuing protections against balance billing for persons utilizing municipal ground-ambulance services. It also establishes limits on increases in locally set rates as the in-network rate, as well as setting parameters for rates when there is not a locally set rate. S.B. 916 also establishes regulatory penalties against EMS agencies for noncompliance with the provisions of the bill.

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

S.B. 916 amends the Health and Safety Code to authorize 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 such a provider's license or certificate if DSHS confirms that the provider has done the following:

- intentionally submitted incorrect information required under the emergency medical services provider balance billing rate database; or
- engaged in a pattern of violations of statutory provisions relating to payments for covered services, supplies, or transport performed or provided by a non-network or out-of-network emergency medical services provider, as applicable, under the following types of insurance plans:
 - a health care plan offered by a health maintenance organization (HMO);
 - a health benefit plan offered by a nonprofit agricultural organization;
 - a health benefit plan that is a self-insured or self-funded plan established by an employer for the benefit of the employer's employees in accordance with the federal Employee Retirement Income Security Act of 1974 and for which the plan sponsor has made an election to apply certain provisions regarding balance billing to the plan for the relevant plan year;
 - a preferred provider benefit plan; or

- a managed care plan provided under the Texas Employees Group Benefits Act, TRS-Care, or TRS-ActiveCare.

S.B. 916 amends the Insurance Code to postpone the expiration date of the previously described statutory provisions relating to non-network or out-of-network emergency medical services provider payments and statutory provisions relating to the emergency medical services provider balance billing rate database from September 1, 2025, to September 1, 2027.

S.B. 916 revises those statutory provisions relating to non-network or out-of-network emergency medical services provider payments as follows:

- removes requirements for an HMO, plan administrator, or insurer, as applicable, to adjust each plan year a payment made at a rate set, controlled, or regulated by a political subdivision that is submitted to the Texas Department of Insurance (TDI) for the database by increasing the payment by the lesser of the Medicare Inflation Index or 10 percent of the provider's previous calendar year rates; and
- authorizes a political subdivision instead to annually adjust a rate submitted to TDI for the database by not more than the lesser of the Medicare Ambulance Inflation Factor or 10 percent of the provider's previous calendar year rates.

S.B. 916 applies only to emergency medical services provided on or after the bill's effective date. Emergency medical services provided before that date are governed by the law in effect immediately before the bill's effective date, and that law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.