

BILL ANALYSIS

Senate Research Center

S.B. 2544
By: Hancock
Health & Human Services
6/26/2025
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

With the passage of S.B. 1264 from the 86th Legislative Session, Texas set the national standard with the most comprehensive restrictions on surprise balance billing at the time. The federal No Surprises Act (NSA) was in large part built off the Texas law, however, a mediation lookback period for disputed medical charges was originally not included.

S.B. 2544 creates a lookback period for disputed medical charges requested to go through mediation to align with the requirements for the arbitration process that S.B. 1264 created. State law currently provides an allowed lookback period of 90 days for mandatory arbitration.

Certain facilities continue to take advantage of the law's lack of a lookback period. Revenue cycle management companies are submitting batches of claims in the mediation system dating back to the beginning of the law in 2020.

(Original Author's/Sponsor's Statement of Intent)

S.B. 2544 amends current law relating to eligibility for mediation of certain out-of-network health benefit claims.

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 1467.054(a), Insurance Code, to authorize an out-of-network provider or a health benefit plan issuer or administrator, not later than the 180th day after the date an out-of-network provider receives an initial payment for a health care or medical service or supply, to request mandatory mediation under Subchapter B (Mandatory Mediation for Out-of-Network Facilities), and to make a nonsubstantive change.

SECTION 2. (a) Makes application of this Act prospective.

(b) Provides that a dispute regarding charges for a health care or medical service or supply provided before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act if mediation of the dispute under Subchapter B, Chapter 1467 (Out-Of-Network Claim Dispute Resolution), Insurance Code, is requested on or before the 120th day after the effective date of this Act, and that law is continued in effect for that purpose.

(c) Provides that, if mediation of a dispute under Subchapter B, Chapter 1467, Insurance Code, regarding charges for a health care or medical service or supply provided before the effective date of this Act is not requested on or before the 120th day after the effective date of this Act, the dispute is not eligible for mediation under that subchapter.

SECTION 3. Effective date: upon passage or September 1, 2025.