By:  Kolkhorst S.B. No. 331

(In the Senate - Filed November 13, 2024; February 3, 2025, read first time and referred to Committee on Health & Human Services; April 14, 2025, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 0; April 14, 2025, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Kolkhorst         X

Perry             X

Blanco            X

Cook              X

Hall              X

Hancock           X

Hughes            X

Miles             X

Sparks            X

COMMITTEE SUBSTITUTE FOR S.B. No. 331 By:  Kolkhorst

A BILL TO BE ENTITLED

AN ACT

relating to the disclosure of health care cost information by certain health care facilities; imposing an administrative penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 327.001(7), Health and Safety Code, is amended to read as follows:

(7)  "Facility" means:

(A)  a hospital, including:

(i)  a general hospital;

(ii)  a special hospital;

(iii)  a mental hospital;

(iv)  a hospital that operates a crisis stabilization unit;

(v)  a limited services rural hospital; or

(vi)  a hospital operating under a certificate of public advantage under Chapter 314 or 314A;

(B)  an abortion facility;

(C)  an ambulatory surgical center;

(D)  a birthing center;

(E)  a facility registered on the burial or cremation assistance registry under Section 697.005;

(F)  a chemical dependency treatment facility;

(G)  a community mental health center;

(H)  a comprehensive outpatient rehabilitation facility;

(I)  an end stage renal disease facility;

(J)  a freestanding emergency medical care facility;

(K)  a laboratory subject to the Clinical Laboratory Improvement Amendments of 1988 (42 U.S.C. Section 263a);

(L)  a narcotic drug treatment program;

(M)  an outpatient clinic, rehabilitation agency, or public health agency that provides outpatient physical therapy and speech pathology services;

(N)  a facility the commission regulates that administers drugs the Texas Health and Human Services Psychiatric Drug Formulary approves for use;

(O)  a rural health clinic;

(P)  a special care facility; or

(Q)  a supplier of portable x-ray services [~~licensed under Chapter 241~~].

SECTION 2.  Chapter 327, Health and Safety Code, is amended by adding Section 327.0015 to read as follows:

Sec. 327.0015.  APPLICABILITY. This chapter applies only to a facility with a total gross revenue of $7 million or more.

SECTION 3.  Sections 327.008(a), (c), and (d), Health and Safety Code, are amended to read as follows:

(a)  The commission may impose an administrative penalty on a facility [~~in accordance with Chapter 241~~] if the facility fails to:

(1)  respond to the commission's request to submit a corrective action plan; or

(2)  comply with the requirements of a corrective action plan submitted to the commission.

(c)  For a facility with one of the following total gross revenues [~~as reported to the Centers for Medicare and Medicaid Services or to another entity designated by commission rule in the year preceding the year in which a penalty is imposed~~], the penalty imposed by the commission may not exceed:

(1)  [~~$10 for each day the facility violated this chapter, if the facility's total gross revenue is less than $10,000,000;~~

[~~(2)~~]  $100 for each day the facility violated this chapter, if the facility's total gross revenue is $7,000,000 [~~$10,000,000~~] or more and less than $100,000,000; and

(2) [~~(3)~~]  $1,000 for each day the facility violated this chapter, if the facility's total gross revenue is $100,000,000 or more.

(d)  Each day a violation continues is considered a separate violation. A cumulative administrative penalty may not exceed the applicable daily amount provided by Subsection (c).

SECTION 4.  A health care facility required to disclose billing information as a result of the amendment to Chapter 327, Health and Safety Code, by this Act is not required to disclose information in accordance with that chapter until August 31, 2027.

SECTION 5.  Section 327.008, Health and Safety Code, as amended by this Act, applies only to a violation that occurs on or after the effective date of this Act. A violation that occurs before the effective date of this Act is governed by the law as it existed on the date the violation occurred, and that law is continued in effect for that purpose.

SECTION 6.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

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