89R5574 MPF-F

By:  Hancock S.B. No. 1232

A BILL TO BE ENTITLED

AN ACT

relating to certain health care transaction fees and payment claims and inclusion of a national provider identifier on a payment claim; providing an administrative penalty.

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

SECTION 1.  Subtitle G, Title 4, Health and Safety Code, is amended by adding Chapter 328 to read as follows:

CHAPTER 328. FACILITY FEES

Sec. 328.001.  DEFINITIONS. In this chapter:

(1)  "Commission" means the Health and Human Services Commission.

(2)  "Executive commissioner" means the executive commissioner of the commission.

(3)  "Facility fee" means a fee a health care provider charges that is:

(A)  intended to compensate the health care provider for operational expenses; and

(B)  separate from a fee a health care provider charges for professional medical services provided in a provider-based facility.

(4)  "Health care provider" means a hospital system, hospital, provider-based facility, or other health care facility, including a designee or affiliate of the facility.

(5)  "Health care provider campus" means:

(A)  the main buildings of a health care provider;

(B)  the physical area immediately adjacent to the main buildings and other areas or structures not contiguous to the main buildings but located not more than 250 yards from the main buildings; and

(C)  any other area the Centers for Medicare and Medicaid Services determine to be a health care provider campus.

(6)  "Hospital" has the meaning assigned by Section 241.003.

(7)  "National provider identifier" means the national provider identifier described by 45 C.F.R. Part 162.

(8)  "Preventative health services" means the preventive health services described by 42 U.S.C. Section 300gg-13.

(9)  "Provider-based facility" means a facility a health care provider owns or operates, wholly or partly, where health care services and supplies are provided.

(10)  "Telehealth service" and "telemedicine medical service" have the meanings assigned by Section 111.001, Occupations Code.

(11)  "Third party payor" means an insurance company, health benefit plan sponsor, or entity other than a patient or health care provider that pays for health care services and supplies provided to a patient.

Sec. 328.002.  PROHIBITED FACILITY FEES. A health care provider may not charge a facility fee for:

(1)  telehealth services or telemedicine medical services; or

(2)  preventative health services.

Sec. 328.003.  REQUIRED NATIONAL PROVIDER IDENTIFIER. A health care provider required or eligible to obtain a national provider identifier under federal law shall apply for and obtain a national provider identifier for:

(1)  the provider; and

(2)  each provider-based facility the health care provider owns or manages or with which the health care provider is otherwise affiliated.

Sec. 328.004.  INCLUSION OF NATIONAL PROVIDER IDENTIFIER ON HEALTH CARE PROVIDER CLAIM. (a) A health care provider or provider-based facility required to obtain a unique national provider identifier under Section 328.003 shall include the national provider identifier of the facility where the health care services and supplies were provided on each claim for reimbursement or payment, including any facility fee charged, for the provided health care services or supplies.

(b)  A health care provider or provider-based facility required to obtain a unique national provider identifier may charge a facility fee for providing health care services or supplies only if the claim for reimbursement or payment for the services or supplies includes the national provider identifier of the facility where the services or supplies were provided.

Sec. 328.005.  PROHIBITED REIMBURSEMENT. A health benefit plan issuer or third party payor may not pay a facility fee charge on a health care provider's claim for reimbursement for provided health care services or supplies unless the claim includes the unique national provider identifier for the facility where the health care services or supplies were provided.

Sec. 328.006.  NOTICE OF FACILITY FEE. (a) A health care provider shall provide to a patient written notice of a facility fee charged for a health care service or supply provided to the patient at a provider-based facility that:

(1)  is at a location other than the health care provider campus;

(2)  provides services organizationally and functionally integrated with the provider; and

(3)  provides outpatient preventative health services, diagnostic health services, treatment services, or emergency care.

(b)  Except as provided by Subsection (c), the written notice required under Subsection (a) must be provided to the patient not later than the 10th day before the date scheduled for provision of the health care service or supply.

(c)  A health care provider shall provide the written notice required under Subsection (a) on the date the health care service or supply is provided if the provision of the health care service or supply is scheduled less than 10 days before that date.

(d)  The written notice required under Subsection (a) must include:

(1)  the amount of the facility fee;

(2)  the purpose of the facility fee; and

(3)  information on whether a patient's health benefit plan covers the facility fee.

(e)  Before a health care provider may begin charging a facility fee for provision of a health care service or supply at a newly built provider-based facility, at a provider-based facility that did not previously charge a facility fee, or for a health care service or supply that did not previously include a facility fee charge, the provider must notify all contracted health benefit plan issuers and third party payors of the provider's intent to begin charging facility fees at the facility or for the service or supply.

(f)  A health care provider may not charge a patient a facility fee at a provider-based facility or for a health care service or supply unless the provider provides notice as required by this section.

Sec. 328.007.  ENFORCEMENT. (a) The commission shall assess an administrative penalty in an amount not to exceed $1,000 against a health care provider that violates this chapter or a rule adopted under this chapter.

(b)  This section does not create a private cause of action against a provider for legal or equitable relief.

Sec. 328.008.  RULES. The executive commissioner may adopt rules to implement this chapter.

SECTION 2.  (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2025.

(b)  Section 328.005, Health and Safety Code, as added by this Act, takes effect January 1, 2026.