

By: Frank

H.B. No. 1612

Substitute the following for H.B. No. 1612:

By: VanDeaver

C.S.H.B. No. 1612

A BILL TO BE ENTITLED

AN ACT

relating to direct payment for certain health care provided by a hospital.

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

SECTION 1. Subchapter A, Chapter 311, Health and Safety Code, is amended by adding Section 311.006 to read as follows:

Sec. 311.006. DIRECT PAYMENT TO HOSPITAL. (a) In this section:

(1) "Enrollee" means an individual who is enrolled in a health benefit plan or otherwise entitled to coverage under a health benefit plan.

(2) "Health benefit plan" means any individual or group arrangement with a public or private entity under which the entity will pay for, reimburse expenses for, or otherwise contract with a health care provider for the provision of health care services, supplies, or devices to a patient. The term includes an arrangement with:

(A) an insurance company;

(B) the sponsor or administrator of a self-insured health benefit plan;

(C) a group hospital service corporation operating under Chapter 842, Insurance Code;

(D) a health maintenance organization operating under Chapter 843, Insurance Code;

1                   (E) the state Medicaid program, including the  
2 Medicaid managed care program operating under Chapter 540,  
3 Government Code;

4                   (F) a health benefit plan offered or administered  
5 by or on behalf of this state or a political subdivision of this  
6 state or an agency or instrumentality of the state or a political  
7 subdivision of this state, including:

8                               (i) a basic coverage plan under Chapter  
9 1551, Insurance Code;

10                              (ii) a basic plan under Chapter 1575,  
11 Insurance Code;

12                              (iii) a primary care coverage plan under  
13 Chapter 1579, Insurance Code; and

14                              (iv) a plan providing basic coverage under  
15 Chapter 1601, Insurance Code; or

16                   (G) any other entity providing a health insurance  
17 or health benefit plan subject to regulation by the Texas  
18 Department of Insurance.

19                   (3) "Health care service" means a service to diagnose,  
20 prevent, alleviate, cure, or heal a human illness or injury that is  
21 provided to an individual by a physician or other health care  
22 provider.

23                   (4) "Hospital" means a public or private institution  
24 licensed under Chapter 241. The term does not include an ambulatory  
25 surgical center licensed under Chapter 243.

26                   (b) At the request of a patient who is not an enrollee, and  
27 subject to Subsection (c), a hospital must accept directly from the

patient full payment for a health care service provided by the hospital.

(c) A request under Subsection (b) must be made not later than the 60th day after the date on which the patient receives a bill for or other final accounting of the health care service provided.

(d) Notwithstanding Section 552.003, Insurance Code, or any other law, in accepting payments as described by Subsection (b) for health care services provided by the hospital, a hospital may change patients amounts that are either:

(1) not more than 25 percent greater than the amounts generally billed, as defined by 26 C.F.R. Section 1.501(r)-1, for a health care service; or

(2) not more than 50 percent greater than the lowest contracted rate for a health care service that the hospital has agreed to accept as payment in full as a contracted, preferred, or participating provider of a health benefit plan other than:

(A) the state Medicaid program, including the Medicaid managed care program operated under Chapter 540, Government Code;

(B) the child health plan program operated under Chapter 62; or

(C) Medicare benefits.

SECTION 2. This Act takes effect September 1, 2025.