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H.B. No. 1687

A BILL TO BE ENTITLED

AN ACT

relating to out-of-pocket expense credits for payments made directly to a physician or health care provider by an enrollee of a governmental employee health benefit plan.

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

SECTION 1. Subtitle H, Title 8, Insurance Code, is amended by adding Chapter 1582 to read as follows:

CHAPTER 1582. PROVISIONS APPLICABLE TO STATE AND LOCAL EMPLOYEE

HEALTH BENEFITS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1582.001. APPLICABILITY OF CHAPTER. This chapter applies only to a health benefit plan that is:

- (1) a basic coverage plan under Chapter 1551;
- (2) a basic plan under Chapter 1575;
- (3) a primary care coverage plan under Chapter 1579;
- (4) a plan providing basic coverage under Chapter 1601;
- (5) county employee group health benefits provided under Chapter 157, Local Government Code; or
- (6) health and accident coverage provided by a risk pool created under Chapter 172, Local Government Code.

SUBCHAPTER B. OUT-OF-POCKET EXPENSES

Sec. 1582.051. OUT-OF-POCKET EXPENSE CREDIT. (a) The issuer or administrator of a health benefit plan to which this

1 chapter applies shall credit toward an enrollee's deductible and  
2 annual maximum out-of-pocket expenses an amount the enrollee pays  
3 directly to any physician or health care provider for a medically  
4 necessary covered medical or health care service or supply if a  
5 claim for the service or supply is not submitted to the issuer or  
6 administrator and the amount paid by the enrollee to the physician  
7 or health care provider is less than the average discounted rate for  
8 the service or supply paid to an equivalently licensed or  
9 authorized preferred provider under the enrollee's health benefit  
10 plan.

11 (b) The health benefit plan issuer or administrator shall:

12 (1) establish a procedure by which an enrollee may  
13 claim a credit under Subsection (a); and

14 (2) identify documentation necessary to support a  
15 claim for a credit under Subsection (a).

16 (c) Information about the procedure and documentation  
17 described by Subsection (b) must be readily accessible to an  
18 enrollee on the issuer's or administrator's Internet website.

19 SECTION 2. The changes in law made by this Act apply only to  
20 a health benefit plan delivered, issued for delivery, or renewed,  
21 or a plan year that commences, on or after January 1, 2026.

22 SECTION 3. This Act takes affect September 1, 2025.