

## **BILL ANALYSIS**

Senate Research Center  
76R9022 MCK-D

S.B. 1294  
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Health Services  
4/11/1999  
As Filed

### **DIGEST**

Lieutenant Governor Bob Bullock required the Health and Human Services Interim Committee (committee) to study current practices in patient billing by Texas hospitals and health care providers. The committee recommended amending Section 3.08(4)(G), Article 4495, V.T.C.S., (Texas Medical Practice Act) and Section 5b, Article 4512p, to delete certain language regarding persistently or flagrantly overcharging or overtreating a patient. S.B. 1294 would reference Section 311.0025, Health and Safety Code, to prohibit improper, unreasonable, or medically unnecessary billing by hospitals or health care professionals.

### **PURPOSE**

As proposed, S.B. 1294 substitutes certain language regarding hospitals or health care professionals billing patients.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 311.0025, Health and Safety Code, by amending Subsection (c) and adding Subsection (e), to authorize the licensing agency to discipline the hospital, facility, or professional for improperly billing a single patient or third-party payor. Prohibits a licensing agency from taking disciplinary action against a hospital, treatment facility, mental health facility, or health care professional for unknowing and isolated billing errors.

SECTION 2. Amends Section 5(b), Article 4512p, V.T.C.S., to prohibit a health care professional from violating Section 311.0025, Health and Safety Code. Deletes text regarding persistently or flagrantly overcharging or overtreating a patient.

SECTION 3. Amends Section 3.08, Article 4495b, V.T.C.S., to authorize the Texas Board of Medical Examiners to refuse to admit persons to its examinations and to issue a license to practice medicine to any person and take disciplinary action against any person for certain reasons, including violating Section 311.0025, Health and Safety Code, or any other state or federal law or rule related to billing. Makes conforming changes.

SECTION 4. Effective date: September 1, 1999.  
Makes application of this Act prospective.

SECTION 5. Emergency clause.