

## **BILL ANALYSIS**

Senate Research Center

S.B. 1788  
By: Duncan  
State Affairs  
4/12/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

As proposed, S.B. 1788 aligns health plans that cover Employees Retirement System of Texas and Teacher Retirement System of Texas Active Care plans with self-funded plans in the ability to assign benefits to the enrollee rather than only the providers. This bill only applies to services provided by facility-based physicians. Allowing these health plans to give the assignment of benefits to the enrollee will put the power of payment in the hands of the enrollee, often when the enrollee is billed for the difference between the provider charges and health plan payment for out-of-network activity.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1204.051, Insurance Code, as effective April 1, 2005, to define "facility" and "facility based physician or provider."

SECTION 2. Amends Section 1204.052, Insurance Code, as effective April 1, 2005, to provide that this subchapter (Assignment of Benefit Payments) is not applicable to a facility based physician or provider as defined by Section 1204.051.

SECTION 3. Effective date: upon passage or September 1, 2005.