

BILL ANALYSIS

Senate Research Center
87R20198 SCL-F

C.S.S.B. 999
By: Hancock; Whitmire
Business & Commerce
4/15/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

During the 86th Legislative Session, Texas passed S.B. 1264, which banned the practice of balance billing by health care providers and facilities for consumers in state regulated health plans as well as claims under the administrated health maintenance organization (HMO) and preferred provider organization (PPO) plans for the Texas Employees Retirement System and Teachers Retirement System of Texas. Similarly, Congress passed the "No Surprises Act" at the end of 2020 banning the same balance bills for consumers covered by health plans not regulated by Texas. The federal law includes a prohibition on air ambulance balance billing in its consumer protections, but neither the Texas law nor the federal law include protection from ground ambulance balance billing. Nationally, 70 to 80 percent of ground ambulances have out-of-network billing rates.

S.B. 999 directs the Texas Department of Insurance (TDI) to study balance billing practices of counties and municipalities and the variations in prices among counties. The bill also authorizes counties to consider a health benefit plan payment toward a claim for air and ground ambulance services provided by the county as payment in full for those services. This does not apply to air ambulance services or ground ambulance services provided by a private actor via a contractual arrangement with a county.

C.S.S.B. 999 amends current law relating to county and municipal authority and a study regarding certain medical and health care billing by ambulance service providers.

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 113.902(a), Local Government Code, as follows:

(a) Requires the county treasurer, except as provided by Section 140.013, to direct prosecution for the recovery of any debt owed to the county, as provided by law, and to supervise the collection of the debt.

SECTION 2. Amends Chapter 140, Local Government Code, by adding Section 140.013, as follows:

Sec. 140.013. BALANCE BILLING FOR COUNTY AND MUNICIPAL AMBULANCE SERVICES. (a) Defines "balance billing" to mean the practice of charging an enrollee in a health benefit plan (HBP) to recover from the enrollee the balance of a health care provider's fee for a service received by the enrollee from the health care provider that is not fully reimbursed by the enrollee's HBP.

(b) Authorizes a county or municipality to elect to consider an HBP payment towards a claim for air or ground ambulance services provided by the county or municipality as payment in full for those services regardless of the amount the county or municipality charged for those services.

(c) Prohibits a county or municipality from practicing balance billing for a claim for which the county or municipality makes an election under Subsection (b).

SECTION 3. (a) Defines "department" to mean the Texas Department of Insurance (TDI) in this section.

(b) Requires TDI to conduct a study on the balance billing practices of county and municipal ground ambulance service providers and the variations in prices for county and municipal ground ambulance services.

(c) Requires TDI, not later than December 1, 2022, to provide a written report of the results of the study conducted under Subsection (b) of this section to the governor, lieutenant governor, speaker of the Texas House of Representatives, and members of the standing committees of the legislature with primary jurisdiction over TDI.

(d) Provides that this section expires September 1, 2023.

SECTION 4. Effective date: September 1, 2021.