

BILL ANALYSIS

S.B. 425
By: Schwertner
Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Freestanding emergency medical care facilities, also known as freestanding ERs, are medical facilities that provide emergency care but that are structurally separate from a hospital and can resemble urgent care clinics. Interested parties report that an individual seeking urgent care is often unable to discern between a freestanding ER and an urgent care clinic, which can create issues when a person mistakenly uses a freestanding ER and is then faced with an expensive medical bill similar to that of a hospital emergency room visit. S.B. 425 seeks to increase price transparency for consumers of freestanding ER services.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 425 amends the Health and Safety Code to require a freestanding emergency medical care facility, including a facility exempt from the licensing requirements for such facilities because the facility is owned or operated by a licensed hospital or a hospital owned and operated by the state and is surveyed as a service of the hospital by an organization that has been granted deeming authority as a national accreditation program for hospitals by the Centers for Medicare and Medicaid Services or is granted provider-based status by the Centers for Medicare and Medicaid Services, to post notice that states that the facility is a freestanding emergency medical care facility, that the facility charges rates comparable to a hospital emergency room and may charge a facility fee, that a facility or a physician providing medical care at the facility may not be a participating provider in the patient's health benefit plan provider network, and that a physician providing medical care at the facility may bill separately from the facility for the medical care provided to a patient.

S.B. 425 requires the fee notice to be posted prominently and conspicuously at the primary entrance to the facility, in each patient treatment room, and at each location within the facility at which a person pays for health care services. The bill requires the fee notice to be in legible print on a sign with minimum dimensions of 8.5 inches by 11 inches. The bill establishes that a freestanding emergency medical care facility is not required to comply with the fee notice requirements until January 1, 2016.

S.B. 425 designates a freestanding emergency medical care facility, including a facility exempt from the licensing requirements for such facilities because of the aforementioned reasons, as a

"facility" subject to statutory provisions relating to consumer access to health care information. The bill establishes that such a facility is not required to comply with those statutory provisions until January 1, 2016.

S.B. 425 repeals a Texas Hospital Licensing Law requirement that the executive commissioner of the Health and Human Services Commission adopt rules for a notice to be posted in a conspicuous place in a freestanding emergency medical care facility exempt from the licensing requirements for such facilities because of the aforementioned reasons that notifies prospective patients that the facility is an emergency room and charges rates comparable to a hospital emergency room.

S.B. 425 repeals Section 241.183, Health and Safety Code, as added by Chapter 917 (H.B. 1376), Acts of the 83rd Legislature, Regular Session, 2013, and as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015.

EFFECTIVE DATE

September 1, 2015.