

SUBJECT: Requiring freestanding ER facilities to disclose insurance network status

COMMITTEE: Insurance — committee substitute recommended

VOTE: 9 ayes — Phillips, Muñoz, R. Anderson, Gooden, Oliverson, Paul, Sanford, Turner, Vo

0 nays

WITNESSES: For — Blake Hutson, AARP Texas; Tucker Anderson, Neighbors Health, the Texas Association of Freestanding Emergency Centers (TAFEC); Jamie Dudensing, Texas Association of Health Plans; (*Registered, but did not testify*: Patricia Kolodzey, Blue Cross Blue Shield; Stacey Pogue, Center for Public Policy Priorities; Reginald Smith, Communities for Recovery; Gyl Switzer, Mental Health America of Texas; Dan Chepkaukas, Patient Choice Coalition of Texas; Amanda Martin, Texas Association of Business; Bradford Shields, Texas Association of Freestanding Emergency Centers; Lee Manross, Texas Association of Health Underwriters; Steven Hays, Carolyn Parcels, and Clayton Stewart, Texas Medical Association; Kandice Sanaie, UnitedHealthcare; Charles Cowles; Lisa Ehrlich; Alice Jean; Theresa Tran)

Against — (*Registered, but did not testify*: Carrie Kroll, Texas Hospital Association)

On — John Hawkins, Texas Hospital Association; (*Registered, but did not testify*: Doug Danzeiser, Texas Department of Insurance)

BACKGROUND: Health and Safety Code, sec. 254.001 defines a "freestanding emergency medical care facility" as a facility structurally separate and distinct from a hospital that receives an individual and provides emergency care.

Sec. 254.155 require these facilities to post notice stating that:

- the facility is a freestanding emergency medical care facility;
- the facility charges rates comparable to a hospital emergency room

- and may charge a facility fee;
- the facility or a physician practicing at the facility may not be a participating provider in the patient's health benefit plan provider network; and
- a physician providing medical care at the facility may bill separately from the facility.

DIGEST: CSHB 3276 would require freestanding emergency medical care facilities to post notice listing the health benefit plans in which the facility was a participating provider in the plan's provider network or stating that the facility was not a participating provider in any network.

The bill would allow a facility to satisfy this notice requirement by giving notice on its website listing the health benefit plans in which the facility was a participating provider in the plan's provider network and providing to a patient written confirmation of whether the facility was a participating provider in the patient's health benefit plan provider network.

The bill would take effect September 1, 2017.

NOTES: The committee substitute differs from the filed bill in that CSHB 3276 would allow facilities to satisfy the notice requirements by listing online the benefit plans in which the facility was a participating provider in the plan's network and providing patients with written confirmation of whether the facility participated in the patient's health benefit plan provider network.

A companion bill, SB 2240 by L. Taylor, was reported favorably by the Senate Business and Commerce Committee on April 24.