

BILL ANALYSIS

Senate Research Center
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H.B. 3276
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Freestanding Emergency Medical Care Facility (FEC) Licensing Act was first enacted in 2009 by the 81st Legislature.

An FEC facility is licensed by the state to provide 24-hour emergency services to patients at the same level as a hospital-based emergency room.

A licensed FEC is a health care facility that provides emergency care, with the exception of trauma care, but is completely separate from an acute-care hospital. Typically, these facilities will have transfer agreements with area hospitals so they can transfer patients who need to be admitted.

Some FECs are owned and run by hospitals, and the hospitals operate these ERs as a department of the hospital and bill their services under the hospital's tax ID. Independent FECs may be owned by physicians or other business interests.

Throughout the state, FECs are rapidly popping up in residential areas. Though these facilities tend to have the same look and feel of urgent care centers, many consumers are unaware that these facilities are often out of network and can charge patients multiple times more for the same services, resulting in surprise medical bills.

H.B. 3276 takes important steps to require greater transparency at freestanding ERs and ensure consumers receive adequate information to make informed healthcare decisions for them and their families.

H.B. 3276 amends current law relating to notice of health benefit plan provider network status provided by certain freestanding emergency medical care facilities.

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 241.252, Health and Safety Code, by amending Subsection (b) and adding Subsection (e), as follows:

(b) Requires a facility described by Section 241.251 (Applicability) to post notice that:

(1) states:

(A) redesignates Subdivision (1) as Paragraph (A) and makes a nonsubstantive change;

(B) redesignates Subdivision (2) as Paragraph (B) and makes a nonsubstantive change;

(C) redesignates Subdivision (3) as Paragraph (C) and makes a nonsubstantive change;

(D) redesignates Subdivision (4) as Paragraph (D) and makes a nonsubstantive change;

(2) either lists the health benefit plans in which the facility is a participating provider in the health benefit plan's provider network or states the facility is not a participating provider in any health benefit plan provider network.

(e) Provides that, notwithstanding Subsection (c), a facility that is a participating provider in one or more health benefit plan provider networks complies with Subsection (b)(2) if the facility:

(1) provides notice on the facility's Internet website listing the health benefit plans in which the facility is a participating provider in the benefit plan's provider network; and

(2) provides to a patient written confirmation of whether the facility is a participating provider in the patient's health benefit plan's provider network.

SECTION 2. Amends Section 254.155, Health and Safety Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Requires a facility to post notice that:

(1) states:

(A) redesignates Subdivision (1) as Paragraph (A) and makes a nonsubstantive change;

(B) redesignates Subdivision (2) as Paragraph (B) and makes a nonsubstantive change;

(C) redesignates Subdivision (3) as Paragraph (C) and makes a nonsubstantive change;

(D) redesignates Subdivision (4) as Paragraph (D) and makes a nonsubstantive change;

(2) either:

(A) lists the health benefit plans in which the facility is a participating provider in the health benefit plan's provider network; or

(B) states the facility is not a participating provider in any health benefit plan provider network.

(d) Provides that, notwithstanding Subsection (b), a facility that is a participating provider in one or more health benefit plan provider networks complies with Subsection (a)(2) if the facility:

(1) provides notice on the facility's Internet website listing the health benefit plans in which the facility is a participating provider in the health benefit plan's provider network; and

(2) provides to a patient written confirmation of whether the facility is a participating provider in the patient's health benefit plan's provider network.

SECTION 3. Effective date: September 1, 2017.