

Texas Hospitals Support Senate Bill 1264



Texas hospitals **support** Senate Bill 1264, as substituted, by Sen. Kelly Hancock (R-North Richland Hills), Sen. John Whitmire (D-Houston), Rep. Tom Oliverson (R-Houston) and Rep. Trey Martinez Fischer (D-San Antonio) to:

1. Protect patients from surprise bills resulting from emergency or unplanned out-of-network health care services.
2. Maintain the process of mediation for facilities and health plans to negotiate a mutually acceptable payment amount.
3. Allow physicians and other individual providers to use the process of arbitration with health plans.

SB 1264 is a patient-friendly and free-market solution to the problem of surprise billing.

If passed, SB 1264 can serve as a model for the nation of how to protect consumers while not increasing health care costs or limiting access to care.

SB 1264 would:

- Apply to claims for emergency care, out-of-network laboratory services and out-of-network diagnostic imaging services.
- Eliminate the patient's responsibilities to pay the out-of-network bill for claims listed above and to initiate mediation.
- Maintain the Texas Department of Insurance as the administrator of the mediation process and require the agency to maintain a list of qualified mediators.
- Allow mediation to be requested via a web-based portal but also require the requesting party to notify TDI and the other party under rules established by TDI.
- Remove the \$500 threshold to trigger mediation.
- Require mediation to take place within 180 days of a request.
- Require the parties to agree on a mediator within 30 days, or TDI will select one.
- Maintains existing law governing payment amounts that requires the mediator to determine whether the amount charged by the facility is excessive or the amount paid by the health benefit plan issuer is the usual and customary rate or is unreasonably low.
- Allow either party, within 45 days of a mediator's report, to file a civil action to determine the amount due to a to an out-of-network facility.

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