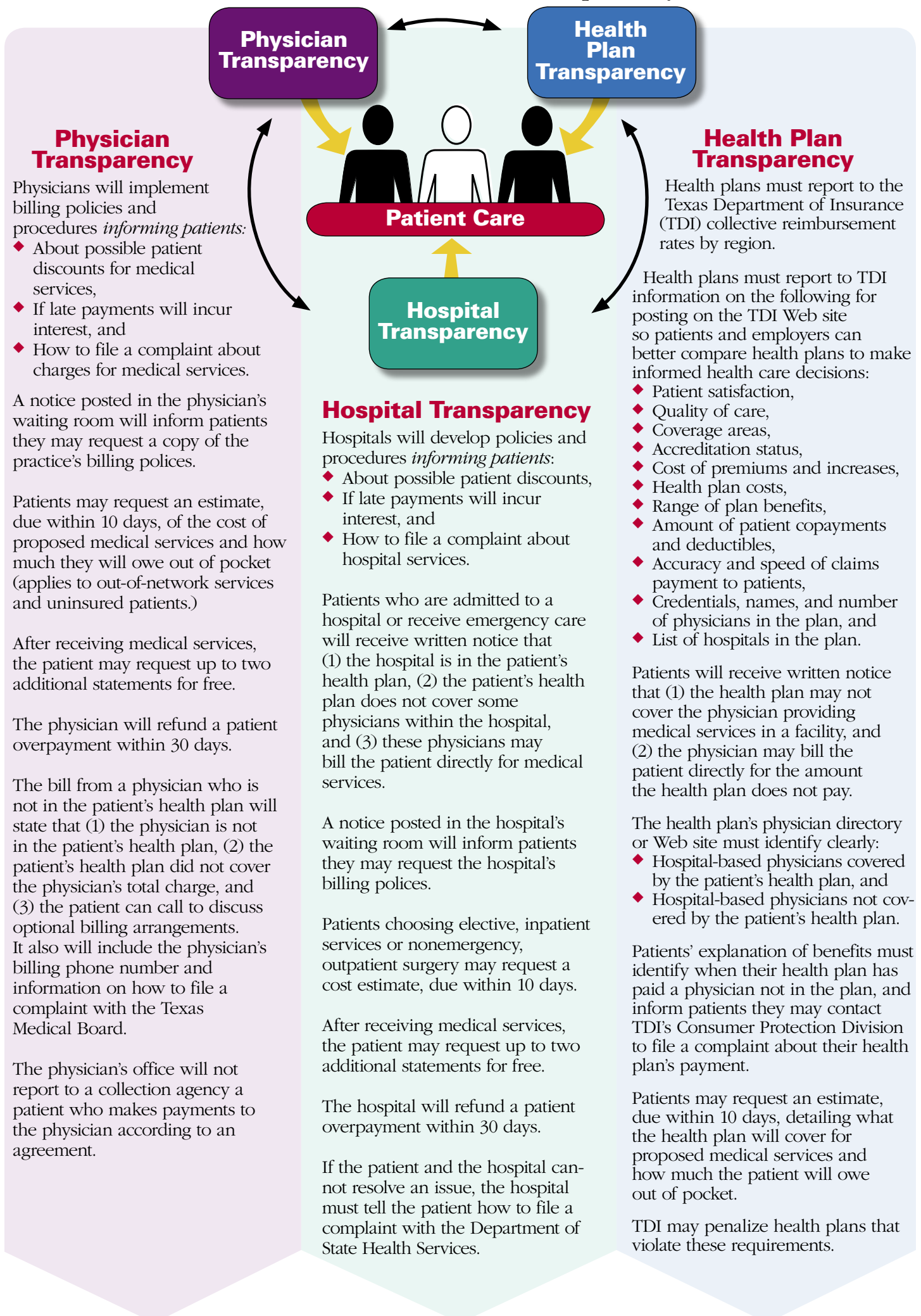


Texas Physicians and Hospitals Support Health Care Transparency

SB 1731 is an important first step toward **true transparency and accountability** in the health care system.

Physician, hospital, and health plan disclosure components of the bill are critical for health care market transparency to exist.



Physician Transparency

Physicians will implement billing policies and procedures *informing patients*:

- ◆ About possible patient discounts for medical services,
- ◆ If late payments will incur interest, and
- ◆ How to file a complaint about charges for medical services.

A notice posted in the physician's waiting room will inform patients they may request a copy of the practice's billing policies.

Patients may request an estimate, due within 10 days, of the cost of proposed medical services and how much they will owe out of pocket (applies to out-of-network services and uninsured patients.)

After receiving medical services, the patient may request up to two additional statements for free.

The physician will refund a patient overpayment within 30 days.

The bill from a physician who is not in the patient's health plan will state that (1) the physician is not in the patient's health plan, (2) the patient's health plan did not cover the physician's total charge, and (3) the patient can call to discuss optional billing arrangements. It also will include the physician's billing phone number and information on how to file a complaint with the Texas Medical Board.

The physician's office will not report to a collection agency a patient who makes payments to the physician according to an agreement.

Health Plan Transparency

Health Plan Transparency

Health plans must report to the Texas Department of Insurance (TDI) collective reimbursement rates by region.

Health plans must report to TDI information on the following for posting on the TDI Web site so patients and employers can better compare health plans to make informed health care decisions:

- ◆ Patient satisfaction,
- ◆ Quality of care,
- ◆ Coverage areas,
- ◆ Accreditation status,
- ◆ Cost of premiums and increases,
- ◆ Health plan costs,
- ◆ Range of plan benefits,
- ◆ Amount of patient copayments and deductibles,
- ◆ Accuracy and speed of claims payment to patients,
- ◆ Credentials, names, and number of physicians in the plan, and
- ◆ List of hospitals in the plan.

Patients will receive written notice that (1) the health plan may not cover the physician providing medical services in a facility, and (2) the physician may bill the patient directly for the amount the health plan does not pay.

The health plan's physician directory or Web site must identify clearly:

- ◆ Hospital-based physicians covered by the patient's health plan, and
- ◆ Hospital-based physicians not covered by the patient's health plan.

Patients' explanation of benefits must identify when their health plan has paid a physician not in the plan, and inform patients they may contact TDI's Consumer Protection Division to file a complaint about their health plan's payment.

Patients may request an estimate, due within 10 days, detailing what the health plan will cover for proposed medical services and how much the patient will owe out of pocket.

TDI may penalize health plans that violate these requirements.

Hospital Transparency

Hospitals will develop policies and procedures *informing patients*:

- ◆ About possible patient discounts,
- ◆ If late payments will incur interest, and
- ◆ How to file a complaint about hospital services.

Patients who are admitted to a hospital or receive emergency care will receive written notice that (1) the hospital is in the patient's health plan, (2) the patient's health plan does not cover some physicians within the hospital, and (3) these physicians may bill the patient directly for medical services.

A notice posted in the hospital's waiting room will inform patients they may request the hospital's billing policies.

Patients choosing elective, inpatient services or nonemergency, outpatient surgery may request a cost estimate, due within 10 days.

After receiving medical services, the patient may request up to two additional statements for free.

The hospital will refund a patient overpayment within 30 days.

If the patient and the hospital cannot resolve an issue, the hospital must tell the patient how to file a complaint with the Department of State Health Services.

Texas patients, whether insured or uninsured, deserve to have access to important health care information so they can make better health care decisions.



Physicians Caring for Texans



TEXAS HOSPITAL ASSOCIATION