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Sen. Kelly Hancock Announces Bipartisan, Bicameral Deal on Landmark Surprise Medical Bill Legislation

Sens. Hancock, Whitmire and Reps. Martinez Fischer, Oliverson join forces to protect patients from surprise medical bill disputes

AUSTIN - Sen. Kelly Hancock (R-North Richland Hills) today announced a bipartisan, bicameral deal on legislation that prevents surprise medical billing of consumers in Texas. SB 1264 would allow medical providers to enter arbitration for payment negotiations with health insurance companies, while prohibiting them from sending surprise balance bills to consumers.

"Both the House and Senate, Republicans and Democrats, have recognized that patients, too often, have been put into the middle of a fight between insurance companies and providers," said Sen. Hancock. "We're coming together with the same goals, the same objectives - putting parties aside - and really putting the best interest of all Texans first by addressing surprise medical bills in a new way this session."

Hancock first established a surprise bill mediation program in 2009 after the issue was brought to his attention by a constituent. HB 2256 (81R) created a process through the Texas Department of Insurance for patients to dispute surprise charges greater than \$1,000 from certain out-of-network providers working at in-network facilities. He later passed SB 481 (84R) and SB 507 (85R) to exponentially expand the program's availability and coverage.

SB 1264 would remove patients from the middle of these disputes altogether. It establishes an arbitration process to eliminate the need for patient-triggered mediation and provides state regulatory authority over that arbitration. Key to the legislation, it prohibits surprise billing of consumers in situations where the patients have no choice which provider they see or which facility they visit. This includes medical emergencies, non-network care at in-network hospitals, and out-of-network lab and imaging work.

The legislation also applies these surprise billing protections to more than 420,000 Texans enrolled in the Texas Employees Group Benefits plan (ERS), 250,000 Texans enrolled in the Teacher Retirement System (TRS-Care), and 430,000 enrolled in the self-funded TRS-ActiveCare program.

Participating in today's announcement were Chairman Hancock (R-Senate Business & Commerce Committee), Chairman John Whitmire (D-Senate Criminal Justice Committee), Chairman Trey Martinez Fischer (D-House Business & Industry Committee), and Vice Chair Tom Oliverson, M.D. (R-House Insurance Committee).

To watch the press conference, visit <u>http://tlcsenate.granicus.com/MediaPlayer.php?clip_id=14081</u>.

To read the full text of the legislation or follow its progress, visit Texas Legislature Online at <u>https://capitol.texas.gov/</u>.

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Sen. Hancock represents <u>District 9</u>, which includes portions of Dallas and Tarrant Counties. He currently serves as Chairman of the Texas Senate Committee on Business & Commerce and Vice Chair of the Texas Senate Committee on Transportation.