

OON Provider Sends Bill

Carrier determines coverage for an OON medical service or supply
The carrier shall send the initial payment of usual and customary, agreed amount or amount from the appeals process to the provider and the EOB to patient and OON Provider with copays, coinsurance and deductible amounts owed and ability of OON Provider to mediate/arbitrate within 30 days of an electronically submitted or 45 days of a paper submitted clean claim as defined by statute.

Physician may appeal to carrier's internal appeals process for denials of coverage

Within 90 days of receiving initial payment OON Provider must apply for mediation/arbitration through a portal on TDI's Website. Fees for either process are split between the carrier and the provider.

Individual Physicians and Providers may bundle claims for up to \$5,000 of balance bills if the provider and the carrier are the same.

Within 30 days the carrier and the OON Provider must have an informal teleconference to settle claim

If a facility and a carrier cannot settle the claim or mutually agree on a mediator within 30 days, the facility will notify TDI who will choose a mediator from an approved list

If the OON Provider and carrier cannot settle the claim or mutually agree on an arbitrator within 30 days, the provider will notify TDI who will choose an arbitrator from an approved list

Mediation will be held no later than the 180th day (6 months) from the request with a goal to reach an agreement between parties on payment. Mediator must file report 45 days after the mediation.

Arbitrator shall perform a document review (no discovery) to determine the reasonable payment based on:

- Fees paid to that OON Provider for the same service/supplies in OON situations
- fees paid by the carrier for the same services to other OON Providers in the same region
- Level of training, education, and experience of OON Provider
- OON Provider's billed charges for OON services
- Circumstances and complexity of the particular case
- Patient's characteristics
- the 80th percentile of billed charges in the geozip according to a benchmarking database selected by TDI
- 50th percentile of rates in the geozip according to a benchmarking database selected by TDI
- the history of network contracting between the parties
- historical data for the 80th and 50th percentiles
- An offer made by either party in the informal teleconference

Not later than the 45th day after the mediator's report is filed where there was no agreement, a party may file a civil action to determine payment.

Arbitrator will provide a written decision within the 51st day arbitration is requested and shall choose either:

- initial billed charge
- initial payment
- a revised billed charge to correct a billing error or an increase in payment in the appeal process
- an offer made in the informal teleconference

Not later than the 45th day after the arbitrator's report if a party is still aggrieved they can file a suit to determine whether the arbitrator's decision is proper based on substantial evidence standard of review.

Carrier must pay the provider not later than the 30th day after the date of an arbitrator's decision or a court's decision.

Texas 86R SB 1264, Enrolled

By Senator Kelly Hancock &

Rep. Tom Oliverson, MD

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