

SUPPORT
HB 1514 BY SHEFFIELD
SB 644 BY CREIGHTON

Health Plan ID Cards for ACA Exchange Products

Requires issuers of Affordable Care Act (ACA) exchange plans (qualified health plans) in Texas to:

- (1) Display the acronym “QHP” on the plan ID card, and
- (2) If the enrollee is receiving a subsidy, display the letter “S” next to the “QHP” acronym.

Here’s why this bill is needed:

The ACA gives patients who receive a federal subsidy (i.e., advance payments of the premium tax credit) in health insurance exchange plans three months to pay their premiums, also known as the “90-day grace period,” if the patient has paid at least one full month’s premium during the benefit year. Texas’ prompt pay law requires health insurers/HMOs to pay clean claims during the grace period. For the first 30 days, insurers/HMOs are required to pay claims and accept the government advance tax credit (subsidy) as payment of the premium in full. If the patient still does not pay his or her premiums, ***the insurer/HMO may recover from the physician any payments made to the practice. The patient must then pay for all past services out of his or her own pocket.***

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Physicians Caring for Texans

The only patients who qualify for the grace period are those who receive a federal subsidy to pay their premiums. But that is more than 85 percent of the people who buy insurance through the ACA exchange.

Fourteen insurance companies offer ACA exchange products in Texas. Each company could represent as many as 64 different offerings under several different exchange products.

Unfortunately, physicians have no easy way to distinguish which patients are covered by an ACA exchange plan or receiving a subsidy. There are no state or federal requirements for ACA exchange plans to provide this information on the patient's health plan ID card. For those companies that do, there is no consistent method of making this information available.

This inconsistency — and in some cases the complete lack of information — requires the physician or office staff to stop and contact the insurance company directly as opposed to simply looking at the patient's ID card at check-in.

The legislation will help limit recoupment of payments by insurers/HMOs due to unpaid premiums and reduce physician administrative costs in pursuing the patient for payment of services no longer covered.

Texas can set up appropriate state oversight and requirements on these federal exchange plans.

The ability to identify patients with subsidized premiums will allow physician office staff to counsel patients on the importance of continuing to pay their premiums. *This will further emphasize the patients' personal responsibility* and ensure their health care services continue to be covered — especially if any proposed treatment spans several months or occurs even in the next month.



Healthy Vision 2020

For more information, call TMA at (512) 370-1300.