SECTION 18. The heading to Section 397.006, Local Government Code, is amended to read as follows:

Sec. 397.006. CONSULTATION WITH OR NOTIFICATION TO MILITARY BASE OR DEFENSE FACILITY [BASE] AUTHORITIES: PROPOSED STRUCTURE.

SECTION 19. Subsection (b), Section 397.006, Local Government Code, is amended to read as follows:

(b) On receipt of an application for a permit as described by Section 245.001 for a proposed structure in an area located within eight miles of the boundary line of a military base or defense facility [base], the defense community reviewing the application shall notify the [defense] base or facility authorities concerning the compatibility of the proposed structure with base operations.

SECTION 20. Section 436.151, Government Code, and Chapter 486, Government Code, are repealed.

SECTION 21. This Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 28, Nays 0; the Senate concurred in House amendment on May 22, 2013: Yeas 31, Nays 0; passed the House, with amendment; on May 17, 2013: Yeas 132; Nays 2; two present not voting.

Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 778

S.B. No. 1221

AN ACT
relating to use of a Medicaid-based fee schedule for reimbursement of services under a contract between a health care provider and certain health benefit plans.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 1451, Insurance Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. REIMBURSEMENT OF HEALTH CARE PROVIDERS

Sec. 1451.451. REIMBURSEMENT UNDER MEDICAID-BASED FEE SCHEDULE.
(a) An insurance company, health maintenance organization, or preferred provider organization that contracts with a health care provider to provide services in connection with Chapter 533, Government Code, or Chapter 62, Health and Safety Code, may not require the health care provider to provide access to or transfer the provider's name and contracted discounted fee for use with health benefit plans issued to individuals and groups under Chapter 1271 or 1301.

(b) An insurance company, health maintenance organization, or preferred provider organization may provide access to or transfer a provider's name and contracted discounted fee described by Subsection (a) only if:

(1) the insurance company, health maintenance organization, or preferred provider organization provides written notice to the provider that is printed in conspicuous boldface type near a separate signature line and includes a statement substantially similar to the following: "By signing on this line, you may be agreeing to apply this company's Medicaid or CHIP fee schedule to services you provide to commercial insurance or HMO enrollees."; and
(2) the provider authorizes the access or transfer and agrees to accept the contracted discounted fee by signing the notice described in Subdivision (1).

SECTION 2. The change in law made by this Act applies only to a contract entered into or renewed on or after the effective date of this Act. A contract entered into or renewed before the effective date of this Act is governed by the law in effect at the time the contract is entered into or renewed, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 30, Nays 0; passed the House on May 21, 2013: Yeas 145, Nays 0, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.