INSURANCE CODE

TITLE 8. HEALTH INSURANCE AND OTHER HEALTH COVERAGES

SUBTITLE F. PHYSICIANS AND HEALTH CARE PROVIDERS

CHAPTER 1460. STANDARDS REQUIRED REGARDING CERTAIN PHYSICIAN RANKINGS BY HEALTH BENEFIT PLANS

Sec. 1460.001.  DEFINITIONS. In this chapter:

(1)  "Health benefit plan issuer" means an entity authorized under this code or another insurance law of this state that provides health insurance or health benefits in this state, including:

(A)  an insurance company;

(B)  a group hospital service corporation operating under Chapter 842;

(C)  a health maintenance organization operating under Chapter 843; and

(D)  a stipulated premium company operating under Chapter 884.

(2)  "Physician" means an individual licensed to practice medicine in this state or another state of the United States.

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Sec. 1460.002.  EXEMPTION.  This chapter does not apply to:

(1)  a Medicaid managed care program operated under Chapter 540 or 540A, Government Code, as applicable;

(2)  a Medicaid program operated under Chapter 32, Human Resources Code;

(3)  the child health plan program under Chapter 62, Health and Safety Code, or the health benefits plan for children under Chapter 63, Health and Safety Code; or

(4)  a Medicare supplement benefit plan, as defined by Chapter 1652.

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 769 (H.B. [4611](http://capitol.texas.gov/tlodocs/88R/billtext/html/HB04611F.HTM)), Sec. 2.135, eff. April 1, 2025.

Sec. 1460.003.  PHYSICIAN RANKING REQUIREMENTS. (a)  A health benefit plan issuer, including a subsidiary or affiliate, may not rank physicians or classify physicians into tiers based on performance unless:

(1)  the standards used by the health benefit plan issuer to rank or classify are developed or prescribed by an organization designated by the commissioner through rules adopted under Section 1460.005;

(2)  the ranking or classification and any methodology used to rank or classify:

(A)  is disclosed to each affected physician at least 45 days before the date the ranking or classification is released, published, or distributed by the health benefit plan issuer; and

(B)  identifies which products or networks offered by the health benefit plan issuer the ranking or classification will be used for; and

(3)  each affected physician is given an easy-to-use process to identify:

(A)  before the release, publication, or distribution of the ranking or classification, any discrepancy between the standards and the ranking or classification proposed by the health benefit plan issuer; and

(B)  after the release, publication, or distribution of the ranking or classification, any objectively and verifiably false information contained in the ranking or classification.

(a-1)  If a physician submits information under Subsection (a)(3) sufficient to establish a verifiable discrepancy or objectively and verifiably false information contained in the ranking or classification or a violation of this chapter, the health benefit plan issuer must remedy the discrepancy, false information, or violation by the later of:

(1)  the release, publication, or distribution of the ranking or classification; or

(2)  the 30th day after the date the health benefit plan issuer receives the information.

(b)  This section does not apply to the publication of a list of network physicians and providers if ratings or comparisons are not made and the list is not a product of nor reflects the tiering or classification of physicians or providers.

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 787 (S.B. [926](http://capitol.texas.gov/tlodocs/89R/billtext/html/SB00926F.HTM)), Sec. 4, eff. September 1, 2025.

Sec. 1460.004.  DUTIES OF PHYSICIANS. A physician may not require or request that a patient of the physician enter into an agreement under which the patient agrees not to:

(1)  rank or otherwise evaluate the physician;

(2)  participate in surveys regarding the physician; or

(3)  in any way comment on the patient's opinion of the physician.

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Sec. 1460.005.  RULES; STANDARDS. (a) The commissioner shall adopt rules as necessary to implement this chapter.

(b)  The commissioner shall adopt rules as necessary to ensure that a health benefit plan issuer that uses a physician ranking system complies with the standards and guidelines described by Subsection (c).

(c)  In adopting rules under this section for purposes of Section 1460.003(a)(1), the commissioner may only designate an organization that meets the following requirements:

(1)  the organization is:

(A)  a national medical specialty society; or

(B)  a bona fide organization that is unbiased toward or against any medical provider or health benefit plan issuer; and

(2)  the standards developed or prescribed by the organization that are to be used in rankings or classifications:

(A)  emphasize quality of care and:

(i)  are nationally recognized, in widely circulated peer-reviewed medical literature, expert-based physician consensus quality standards, or leading objective clinical evidence-based scholarship;

(ii)  have a publicly transparent methodology; and

(iii)  if based on clinical outcomes, are risk-adjusted; and

(B)  are compatible with an easy-to-use process in which a physician or person acting on behalf of the physician may report data, evidentiary, factual, or mathematical discrepancies, errors, omissions, or faulty assumptions for investigation and, if appropriate, correction.

(d)  In this section, "national medical specialty society" means a national organization:

(1)  with a majority of members who are physicians;

(2)  that represents a specific physician medical specialty; and

(3)  that is represented in the house of delegates of the American Medical Association.

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 787 (S.B. [926](http://capitol.texas.gov/tlodocs/89R/billtext/html/SB00926F.HTM)), Sec. 5, eff. September 1, 2025.

Sec. 1460.006.  DUTIES OF HEALTH BENEFIT PLAN ISSUER. A health benefit plan issuer shall ensure that:

(1)  physicians currently in clinical practice are actively involved in the development of the standards used under this chapter; and

(2)  the measures and methodology used in the comparison programs described by Section 1460.003 are transparent and valid.

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Sec. 1460.007.  SANCTIONS; DISCIPLINARY ACTIONS. (a) A health benefit plan issuer that violates this chapter or a rule adopted under this chapter is subject to sanctions and disciplinary actions under Chapters 82 and 84.

(b)  A violation of this chapter by a physician constitutes grounds for disciplinary action by the Texas Medical Board, including imposition of an administrative penalty.

(c)  The commissioner shall prohibit a health benefit plan issuer from using a ranking or classification system otherwise authorized under this chapter for not less than 12 consecutive months if the commissioner determines that the health benefit plan issuer has engaged in a pattern of discrepancies, falsehoods, or violations described by Section 1460.003(a-1).

Added by Acts 2009, 81st Leg., R.S., Ch. 652 (H.B. [1888](http://capitol.texas.gov/tlodocs/81R/billtext/html/HB01888F.HTM)), Sec. 1, eff. September 1, 2009.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 787 (S.B. [926](http://capitol.texas.gov/tlodocs/89R/billtext/html/SB00926F.HTM)), Sec. 6, eff. September 1, 2025.