

Application of Texas' prompt pay statute

SB 418, commonly called the prompt pay law, applies to health benefit plans that are issued in Texas by issuers of preferred provider benefit plans and by health maintenance organizations. However, there are some plans that are not required to comply with this law.

For example, SB 418 does not apply to:

- Self-funded ERISA plans
- Medicaid, Medicaid Star, or Medicaid Star Plus
- Medicare, Medicare Advantage, Medicare Part D plans
- Children's Health Insurance Program (CHIP)
- TRICARE standard (formerly, CHAMPUS)
- Self-funded government, school, and church health plans
- Federal employee and postal worker plans
- Workers' compensation coverage
- Indemnity plans