

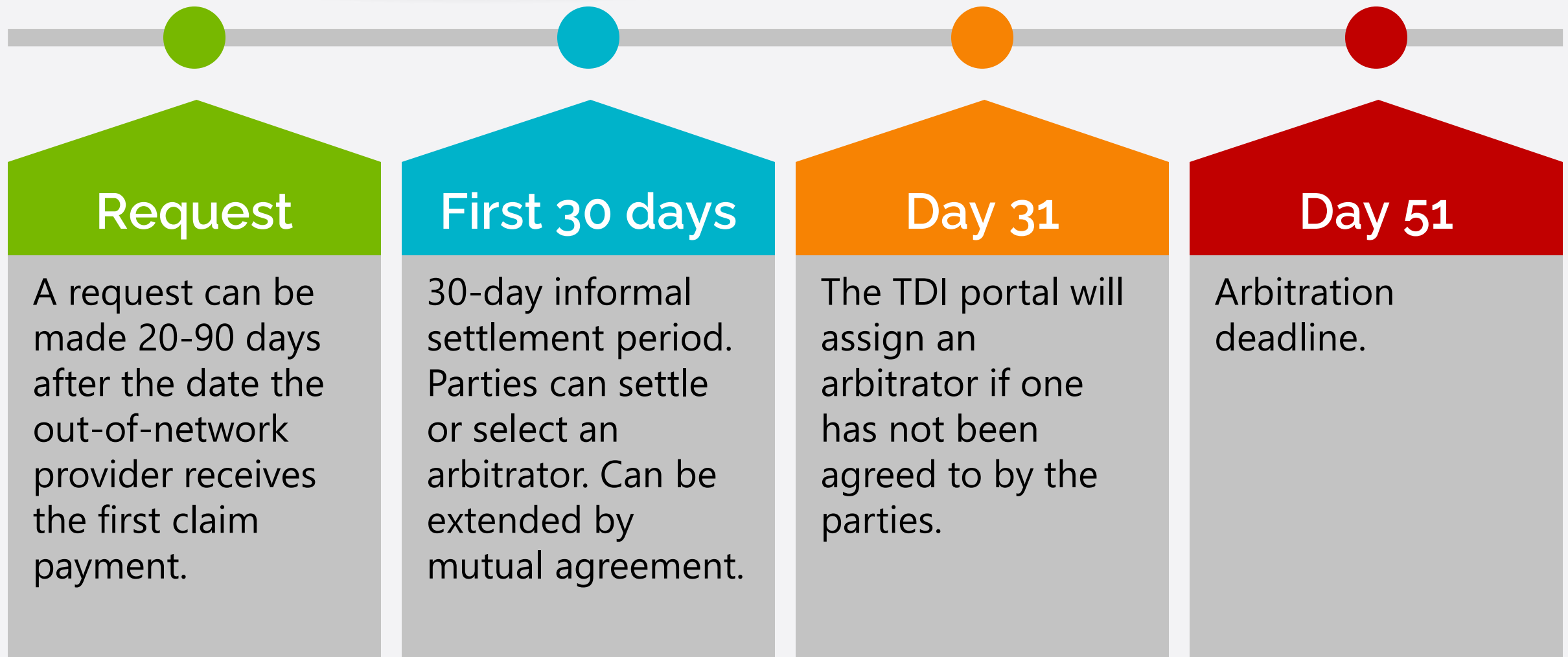
Background

- Passed during the 2019 legislative session.
- Applies to fully insured health plans, ERS, and TRS.
- Applies to medical bills for services or supplies received on or after 1/1/2020:
 - Emergency care,
 - Out of network services received at an in-network facility, or
 - Lab or imaging services in connection with in-network care.

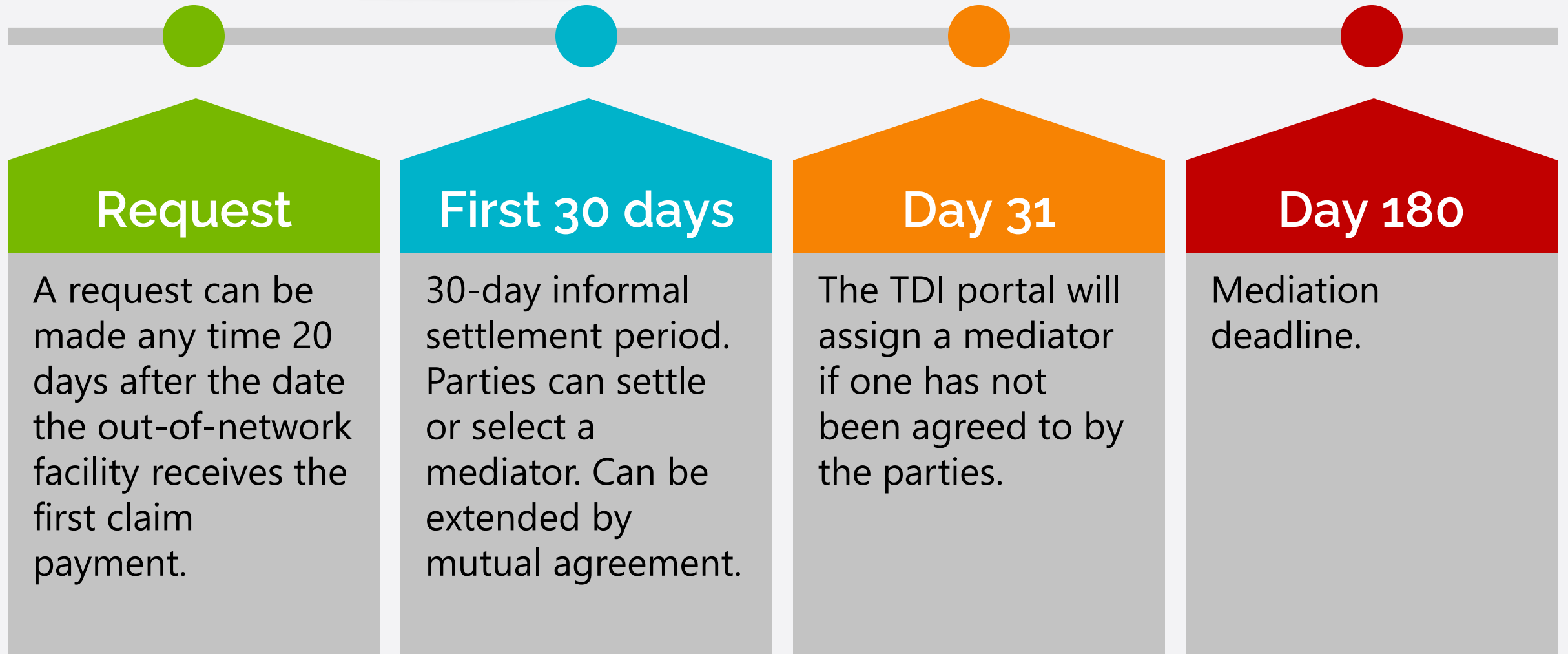
Protects consumers

- Prohibits providers from balance billing.
- Requires health plans to give notice of balance billing prohibitions.
- Creates 2 processes to resolve disputes: mediation and arbitration.

TDI | Arbitration timeline



TDI | Mediation timeline



TDI | IDR program statistics

Arbitration

217,762 requests submitted.

- 120,750 have settled during the initial 30-day period.
- 58,210 have been decided by an arbitrator.

Mediation

71,713 requests submitted.

- 45,440 have settled during the initial 30-day period.
- 1,433 have concluded mediation.
- 462 have settled in mediation.

TDI | IDR program statistics

Without the consumer protections provided in Texas law, the total disputed amount shown as of June 15, 2022, could have been passed on to consumers in the form of a balance bill.

Providers and health plans have resolved over \$1 billion in disputed payments through the program.

Total dollar amount summary for eligible requests that are settled

	2020	2021	2022	Grand total
Original billed amount	\$110,680,487	\$597,513,288	\$552,870,287	\$1,261,064,062
Original patient share and health plan paid amount	12,227,312	61,138,428	50,762,111	124,127,851
Total disputed amount	98,453,175	536,374,860	502,108,176	1,136,936,211
Total amount of settled	35,870,822	156,254,838	119,613,513	311,739,173

TDI | Arbitrator decisions

Arbitrators decide the reasonable amount for the health care service and then the party whose final offer is closer is awarded the decision.

- Health plans win approximately 34% of the time.
- Providers win approximately 66% of the time.
- Average original bill for single-claim requests: \$3,236
- Average additional amount paid for single-claim requests: \$701
- Average winning amount as a percent of original bill: 33%
- Average winning amount as a percentage of the initial payment: 437%

TDI | Requests concluded at mediation

Mediation requests can aggregate an unlimited number of claims if both parties agree.

32% of requests assigned to a mediator have settled at the mediation conference.

- Average original billed amount for single-claim requests: \$17,630
- Average initial paid amount for single-claim requests: \$1,849
- Average settlement for single-claim requests: \$3,841