



Senate Committee on State Affairs
Written Testimony on Senate Bill 30 by Sen. Charles Schwertner, MD
Texas Medical Association
March 31, 2025

Honorable Chair Hughes and members of the Senate Committee on State Affairs:

The Texas Medical Association (TMA) appreciates the opportunity to submit this written testimony *on* Senate Bill 30. As a non-profit organization with more than 59,000 physician and medical student members, we have great interest in this legislation.

In 2021, TMA participated in stakeholder meetings and provided testimony on other legislation (i.e., Senate Bill 207 (87R)) that was directed at modifying the same underlying laws, related to “paid or incurred” provisions for medical or health care expenses in certain civil actions.

At that time, TMA noted our understanding was that the bill was introduced to address allegations regarding inflated or “outlier damages” claimed by plaintiffs relating to care provided by health care providers and hospitals in personal injury lawsuits. Specifically, the claim was that some health care providers bill, in lieu of immediate payment, more for services in personal injury lawsuits in exchange for receiving part of an anticipated jury award or settlement.

SB 30, much like SB 207 from 2021, is intended to focus on medical and health care expenses incurred but not yet paid by a claimant. TMA’s concern remains that assuming this is an issue, as drafted SB 30 sets forth a framework that is not workable and does not take into consideration the evidence we believe is important to a reasonableness determination in this context.

When individuals are injured – regardless of cause or fault – it is critical they have access to quality care. Texas physicians should be focused on providing such care. Their time and resources should not be unfairly wasted when caught between litigant crossfire.

We have concerns about the language in the bill as filed. Therefore, we reiterate our prior ask that – in lieu of the framework under the current bill – for unpaid amounts, an exclusive, limited set of relevant evidence be created that can be introduced on the issue of reasonableness of the medical or health care expenses. The following limited list, based largely on the arbitration factors in Senate Bill 1264 (86R) in existing law, is complete, fair and helpful on the issue of reasonableness. Importantly, it also protects proprietary, irrelevant nonparty private contract and government reimbursement rate information:

- Circumstances and complexity of claimant’s particular case;
- Physician or health care provider’s level of training, education, and experience;
- Billed charge of the physician or health care provider for the services;
- Amount that would have been paid by cost sharing, a health benefit plan, workers’ compensation, an employer-provided plan, Medicaid, Medicare, or other person/entity legally obligated to pay for the services at the time they were provided, if applicable;

- Availability of insurance or coverage if available at the time and the patient did not disclose or use it; and
- Eightieth percentile of all billed charges reported in a benchmarking database (like Fair Health) for same or substantially similar services provided in the same geozip.

Thank you for the opportunity to comment. We look forward to continuing to work with stakeholders on SB 30, and we thank you for your time and consideration. For answers to further questions, please contact Clayton Stewart, TMA vice president of Public Affairs and chief lobbyist, at clayton.stewart@texmed.org.