

Fifth Circuit Holds Texas Prompt Pay Act Does Not Apply to Self-Insured Plans

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The Texas Prompt Pay Act (the “**Act**”) requires healthcare insurers to make coverage determinations and pay claims within a specified time or face penalties. The parent of Blue Cross Blue Shield of Texas (“**BCBSTX**”) challenged, in part, whether the Act would apply to self-funded plans in which BCBSTX acts as the third-party administrator. The federal district court held that the Act does not apply to self-funded plan administrators. The U.S. Court of Appeals for the Fifth Circuit upheld the decision. The court’s opinion in *Health Care Service Corp. v. Methodist Hosp. of Dallas*, No.15-10154 (5th Cir. Feb. 10, 2016) is available [here](#).