

By: Bettencourt

S.B. No. 1581

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas Health Insurance Mandate Advisory Committee; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 38, Insurance Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. TEXAS HEALTH INSURANCE MANDATE ADVISORY COMMITTEE

Sec. 38.451. DEFINITIONS. In this subchapter:

(1) "Center" means the Center for Healthcare Data at The University of Texas Health Science Center at Houston.

(2) "Enrollee" means an individual who is enrolled in a health benefit plan, including a covered dependent.

(3) "Health benefit plan issuer" means an insurer, health maintenance organization, or other entity authorized to provide health benefits coverage under the laws of this state, including a Medicaid managed care organization. The term does not include an issuer of workers' compensation insurance.

(4) "Health benefits coverage" does not include workers' compensation.

(5) "Health care provider" means a physician, facility, or other person who is licensed, certified, registered, or otherwise authorized to provide a health care service in this state.

(6) "Health care service" means a service, procedure,

1 drug, or device to diagnose, prevent, alleviate, cure, or heal a
2 human disease, injury, or unhealthy or abnormal physical or mental
3 condition, including a service, procedure, drug, or device related
4 to pregnancy or delivery.

5 (7) "Mandate" means a provision of a bill or joint
6 resolution that requires a health benefit plan issuer, with respect
7 to health benefits coverage, to:

8 (A) provide coverage for a health care service;

9 (B) increase or decrease payments to health care
10 providers for a health care service; or

11 (C) implement a new contractual or
12 administrative requirement.

13 (8) "Mandate advisory committee" means the Texas
14 Health Insurance Mandate Advisory Committee established under
15 Section 38.452.

16 Sec. 38.452. ESTABLISHMENT OF MANDATE ADVISORY COMMITTEE.
17 The center shall establish the Texas Health Insurance Mandate
18 Advisory Committee to prepare analyses of bills and joint
19 resolutions that would impose new mandates on health benefit plan
20 issuers in this state.

21 Sec. 38.453. REQUEST FOR ANALYSIS OF MANDATE. (a)
22 Regardless of whether the legislature is in session, the lieutenant
23 governor, the speaker of the house of representatives, or the chair
24 of the appropriate committee in either house of the legislature may
25 submit a request to the mandate advisory committee to prepare and
26 develop an analysis of a proposed or enacted bill or joint
27 resolution that imposes a new mandate on health benefit plan

1 issuers in this state.

2 (b) A request submitted under this section must include a
3 draft of the bill or joint resolution prepared by the Texas
4 Legislative Council or a copy of an act of the Texas Legislature.

5 Sec. 38.454. ANALYSIS OF MANDATE. (a) Except as provided
6 by Subsection (b), on receiving a request under Section 38.453, the
7 mandate advisory committee shall conduct an analysis of, as
8 applicable, and prepare an estimate of, as applicable, the extent
9 to which:

10 (1) the mandate has increased or decreased or is
11 expected to increase or decrease total spending in this state for
12 any relevant health care service, including the estimated dollar
13 amount of that increase or decrease;

14 (2) the mandate has increased or is expected to
15 increase the utilization of any relevant health care service in
16 this state;

17 (3) the mandate has increased or decreased or is
18 expected to increase or decrease administrative expenses of health
19 benefit plan issuers and expenses of enrollees, plan sponsors, and
20 policyholders;

21 (4) the mandate has increased or decreased or is
22 expected to increase or decrease spending by all persons in the
23 private sector, by public sector entities, including state or local
24 retirement systems and political subdivisions, and individuals
25 purchasing individual health insurance or health benefit plan
26 coverage in this state;

27 (5) coverage for any relevant health care service is

1 or was, without the mandate, generally available or utilized; or

2 (6) any relevant health care service is supported by
3 medical and scientific evidence, including:

4 (A) determinations made by the United States Food
5 and Drug Administration;

6 (B) coverage determinations made by the Centers
7 for Medicare and Medicaid Services;

8 (C) determinations made by the United States
9 Preventive Services Task Force; and

10 (D) nationally recognized clinical practice
11 guidelines.

12 (b) If, in conducting an analysis under this section, the
13 mandate advisory committee determines that the committee is unable
14 to provide a reliable assessment of a factor described by
15 Subsection (a), the mandate advisory committee shall include in the
16 analysis a statement providing the basis for that determination.

17 (c) In conducting an analysis under this section, the
18 mandate advisory committee may consult with persons with relevant
19 knowledge and expertise.

20 Sec. 38.455. REPORT. Not later than 60 days after the
21 mandate advisory committee receives a request under Section 38.453,
22 the center shall prepare a written report containing the results of
23 the analysis conducted by the mandate advisory committee under
24 Section 38.454 and:

25 (1) deliver the report to the lieutenant governor, the
26 speaker of the house of representatives, and the appropriate
27 committees in each house of the legislature; and

1 (2) make the report available on a generally
2 accessible Internet website.

3 Sec. 38.456. FUNDING OF MANDATE ADVISORY COMMITTEE; FEE.

4 (a) The department shall assess an annual fee on each health
5 benefit plan issuer in the amount necessary to implement this
6 subchapter.

7 (b) The department shall, in consultation with the center:

8 (1) determine the amount of the fee assessed under
9 this section; and

10 (2) adjust the amount of the fee assessed under this
11 section for each state fiscal biennium to address any:

12 (A) estimated increase in costs to implement this
13 subchapter; or

14 (B) deficits incurred during the preceding year
15 as a result of implementing this subchapter.

16 (c) Not later than August 1 of each year, a health benefit
17 plan issuer shall pay the fee assessed under this section to the
18 department. The legislature may appropriate money received under
19 this section only to the center to be used by the center to
20 administer the center's duties under this subchapter.

21 (d) The commissioner shall adopt rules to administer this
22 section.

23 Sec. 38.457. DATA CALL ON ADMINISTRATIVE EXPENSES. (a) Not
24 later than 30 days after receiving a request from the center, the
25 commissioner shall issue a special data call for an estimate of
26 administrative expenses related to a specific mandate.

27 (b) The commissioner shall provide the special data call

1 issued under this section to only the five largest health benefit
2 plan issuers affected by the mandate, as measured by a health
3 benefit plan issuer's total number of enrollees.

4 (c) A response to the special data call issued under this
5 section is not subject to disclosure under Chapter 552, Government
6 Code.

7 (d) A report prepared by the center under this subchapter
8 may not disclose a health benefit plan issuer's individual response
9 to a data call under this section.

10 SECTION 2. (a) As soon as practicable after the effective
11 date of this Act, the Center for Healthcare Data at The University
12 of Texas Health Science Center at Houston shall develop a cost
13 estimate of the amount necessary to fund the actual and necessary
14 expenses of implementing Subchapter J, Chapter 38, Insurance Code,
15 as added by this Act, for the first state fiscal biennium in which
16 the mandate advisory committee will operate under that subchapter.

17 (b) Not later than January 1, 2024, the Center for
18 Healthcare Data at The University of Texas Health Science Center at
19 Houston shall establish the Texas Health Insurance Mandate Advisory
20 Committee as required by Section 38.452, Insurance Code, as added
21 by this Act.

22 SECTION 3. Not later than January 1, 2024, the commissioner
23 of insurance shall adopt rules as required by Section 38.456,
24 Insurance Code, as added by this Act.

25 SECTION 4. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2023.