

1-1 By: Bettencourt S.B. No. 1581  
 1-2 (In the Senate - Filed March 3, 2023; March 16, 2023, read  
 1-3 first time and referred to Committee on Health & Human Services;  
 1-4 April 18, 2023, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 18, 2023,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1581 By: Perry

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to the establishment of the Texas Health Insurance Mandate  
 1-22 Advisory Collaborative; authorizing a fee.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Chapter 38, Insurance Code, is amended by adding  
 1-25 Subchapter J to read as follows:

1-26 SUBCHAPTER J. TEXAS HEALTH INSURANCE MANDATE ADVISORY  
 1-27 COLLABORATIVE

1-28 Sec. 38.451. DEFINITIONS. In this subchapter:

1-29 (1) "Center" means the Center for Health Care Data at  
 1-30 The University of Texas Health Science Center at Houston.

1-31 (2) "Enrollee" means an individual who is enrolled in  
 1-32 a health benefit plan, including a covered dependent.

1-33 (3) "Health benefit plan issuer" means an insurer,  
 1-34 health maintenance organization, or other entity authorized to  
 1-35 provide health benefits coverage under the laws of this state,  
 1-36 including a Medicaid managed care organization. The term does not  
 1-37 include an issuer of workers' compensation insurance.

1-38 (4) "Health benefits coverage" does not include  
 1-39 workers' compensation.

1-40 (5) "Health care provider" means a physician,  
 1-41 facility, or other person who is licensed, certified, registered,  
 1-42 or otherwise authorized to provide a health care service in this  
 1-43 state.

1-44 (6) "Health care service" means a service, procedure,  
 1-45 drug, or device to diagnose, prevent, alleviate, cure, or heal a  
 1-46 human disease, injury, or unhealthy or abnormal physical or mental  
 1-47 condition, including a service, procedure, drug, or device related  
 1-48 to pregnancy or delivery.

1-49 (7) "Mandate" means a provision contained in a  
 1-50 legislative document that requires a health benefit plan issuer,  
 1-51 with respect to health benefits coverage, to:

1-52 (A) provide coverage for a health care service;

1-53 (B) increase or decrease payments to health care  
 1-54 providers for a health care service; or

1-55 (C) implement a new contractual or  
 1-56 administrative requirement.

1-57 (8) "Mandate advisory collaborative" means the Texas  
 1-58 Health Insurance Mandate Advisory Collaborative established under  
 1-59 Section 38.452.

1-60 Sec. 38.452. ESTABLISHMENT OF MANDATE ADVISORY

2-1 COLLABORATIVE. The center shall establish the Texas Health  
 2-2 Insurance Mandate Advisory Collaborative to prepare analyses of  
 2-3 legislative documents that would impose new mandates on health  
 2-4 benefit plan issuers in this state.

2-5 Sec. 38.453. REQUEST FOR ANALYSIS OF MANDATE. (a)  
 2-6 Regardless of whether the legislature is in session, the lieutenant  
 2-7 governor, the speaker of the house of representatives, or the chair  
 2-8 of the appropriate committee in either house of the legislature may  
 2-9 submit a request to the mandate advisory collaborative to prepare  
 2-10 and develop an analysis of proposed legislation that imposes a new  
 2-11 mandate on health benefit plan issuers in this state.

2-12 (b) A request may not be submitted under this section for an  
 2-13 analysis of legislation that has already been enacted.

2-14 (c) A request submitted under this section must include a  
 2-15 copy of the relevant legislative document.

2-16 Sec. 38.454. ANALYSIS OF MANDATE. (a) Except as provided  
 2-17 by Subsection (b), on receiving a request under Section 38.453, the  
 2-18 mandate advisory collaborative shall conduct an analysis of, as  
 2-19 applicable, and prepare an estimate of, as applicable, the extent  
 2-20 to which:

2-21 (1) the mandate is expected to increase or decrease  
 2-22 total spending in this state for any relevant health care service,  
 2-23 including the estimated dollar amount of that increase or decrease;

2-24 (2) the mandate is expected to increase the  
 2-25 utilization of any relevant health care service in this state;

2-26 (3) the mandate is expected to increase or decrease  
 2-27 administrative expenses of health benefit plan issuers and expenses  
 2-28 of enrollees, plan sponsors, and policyholders;

2-29 (4) the mandate is expected to increase or decrease  
 2-30 spending by all persons in the private sector, by public sector  
 2-31 entities, including state or local retirement systems and political  
 2-32 subdivisions, and by individuals purchasing individual health  
 2-33 insurance or health benefit plan coverage in this state;

2-34 (5) coverage for any relevant health care service is,  
 2-35 without the mandate, generally available or utilized; or

2-36 (6) any relevant health care service is supported by  
 2-37 medical and scientific evidence, including:

2-38 (A) determinations made by the United States Food  
 2-39 and Drug Administration;

2-40 (B) coverage determinations made by the Centers  
 2-41 for Medicare and Medicaid Services;

2-42 (C) determinations made by the United States  
 2-43 Preventive Services Task Force; and

2-44 (D) nationally recognized clinical practice  
 2-45 guidelines.

2-46 (b) If, in conducting an analysis under this section, the  
 2-47 mandate advisory collaborative determines that the collaborative  
 2-48 is unable to provide a reliable assessment of a factor described by  
 2-49 Subsection (a), the mandate advisory collaborative shall include in  
 2-50 the analysis a statement providing the basis for that  
 2-51 determination.

2-52 (c) In conducting an analysis under this section, the  
 2-53 mandate advisory collaborative may consult with persons with  
 2-54 relevant knowledge and expertise.

2-55 Sec. 38.455. REPORT. Not later than 60 days after the  
 2-56 mandate advisory collaborative receives a request under Section  
 2-57 38.453, the center shall prepare a written report containing the  
 2-58 results of the analysis conducted by the mandate advisory  
 2-59 collaborative under Section 38.454 and:

2-60 (1) deliver the report to the lieutenant governor, the  
 2-61 speaker of the house of representatives, and the appropriate  
 2-62 committees in each house of the legislature; and

2-63 (2) make the report available on a generally  
 2-64 accessible Internet website operated by the center.

2-65 Sec. 38.456. FUNDING OF MANDATE ADVISORY COLLABORATIVE;  
 2-66 FEE. (a) The department shall assess an annual fee on each health  
 2-67 benefit plan issuer in the amount necessary to implement this  
 2-68 subchapter.

2-69 (b) The department shall, in consultation with the center:

3-1 (1) determine the amount of the fee assessed under  
3-2 this section; and

3-3 (2) adjust the amount of the fee assessed under this  
3-4 section for each state fiscal biennium to address any:

3-5 (A) estimated increase in costs to implement this  
3-6 subchapter; or

3-7 (B) deficits incurred during the preceding year  
3-8 as a result of implementing this subchapter.

3-9 (c) Not later than August 1 of each year, a health benefit  
3-10 plan issuer shall pay the fee assessed under this section to the  
3-11 department. The legislature may appropriate money received under  
3-12 this section only to the center to be used by the center to  
3-13 administer the center's duties under this subchapter.

3-14 (d) The commissioner shall adopt rules to administer this  
3-15 section.

3-16 Sec. 38.457. DATA CALL ON ADMINISTRATIVE EXPENSES. (a) Not  
3-17 later than 30 days after receiving a request from the center, the  
3-18 commissioner shall issue a special data call for an estimate of  
3-19 administrative expenses related to a specific mandate.

3-20 (b) The commissioner shall provide the special data call  
3-21 issued under this section to only the five largest health benefit  
3-22 plan issuers affected by the mandate, as measured by a health  
3-23 benefit plan issuer's total number of enrollees.

3-24 (c) A response to the special data call issued under this  
3-25 section is not subject to disclosure under Chapter 552, Government  
3-26 Code.

3-27 (d) A report prepared by the center under this subchapter  
3-28 may not disclose a health benefit plan issuer's individual response  
3-29 to a data call under this section.

3-30 SECTION 2. (a) As soon as practicable after the effective  
3-31 date of this Act, the Center for Health Care Data at The University  
3-32 of Texas Health Science Center at Houston shall develop a cost  
3-33 estimate of the amount necessary to fund the actual and necessary  
3-34 expenses of implementing Subchapter J, Chapter 38, Insurance Code,  
3-35 as added by this Act, for the first state fiscal biennium in which  
3-36 the mandate advisory collaborative will operate under that  
3-37 subchapter.

3-38 (b) Not later than January 1, 2024, the Center for Health  
3-39 Care Data at The University of Texas Health Science Center at  
3-40 Houston shall establish the Texas Health Insurance Mandate Advisory  
3-41 Collaborative as required by Section 38.452, Insurance Code, as  
3-42 added by this Act.

3-43 SECTION 3. Not later than January 1, 2024, the commissioner  
3-44 of insurance shall adopt rules as required by Section 38.456,  
3-45 Insurance Code, as added by this Act.

3-46 SECTION 4. This Act takes effect immediately if it receives  
3-47 a vote of two-thirds of all the members elected to each house, as  
3-48 provided by Section 39, Article III, Texas Constitution. If this  
3-49 Act does not receive the vote necessary for immediate effect, this  
3-50 Act takes effect September 1, 2023.

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