

## **BILL ANALYSIS**

S.B. 78  
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Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Lack of knowledge regarding the different available health plans is a barrier to health care in Texas. The Texas Department of Insurance provides consumer assistance for all types of insurance coverage; however, health insurance is extremely complex and offers many more policy options than other common types of coverage, such as auto or homeowners insurance. The proposed legislation contains a portion of S.B. 23, relating to the creation of an office within the department to assist in educating the public about health insurance options, which died on the house calendar at the end of the 80th Legislature, Regular Session, 2007.

S.B. 78 creates the TexLink to Health Coverage Program at the Texas Department of Insurance to promote awareness and education about the purchase and availability of health coverage.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 78 amends the Insurance Code to replace the Health Coverage Awareness and Education Program with the TexLink to Health Coverage Program, to be implemented and administered by a division of the Texas Department of Insurance for that purpose, under the direction of the commissioner of insurance, whereas the previous program was developed and implemented by the Texas Department of Insurance. The bill makes conforming changes to reflect this transfer of responsibility. The bill requires the department to develop the TexLink program as a health coverage program that is required to include a public education and awareness component, whereas the previous program was a health coverage public awareness and education program. The bill requires the TexLink program to educate the public about the importance, as well as the value, of health coverage and expands the scope of the previous program by requiring the program to promote personal responsibility for health care through the purchase of health coverage; assist small employers, individuals, and others seeking to purchase health coverage with technical information necessary to understand available health coverage products; and promote and facilitate the development and availability of new health coverage options.

S.B. 78 requires the division to develop printed materials, in addition to an Internet website, designed to educate small employers, individuals, and others seeking to purchase health coverage about health coverage in accordance with the scope of the program. The bill removes language that requires the Internet website developed by the department under the previous program to educate the public about the availability of health coverage in this state, including information about health savings accounts and compatible high-deductible health benefit plans. The bill sets forth requirements relating to the distribution of printed materials produced under the TexLink program and the production of a newsletter the division is authorized to produce to provide updated information to the newsletter's subscribers about health coverage.

S.B. 78 authorizes the division to operate a toll-free telephone hotline to respond to inquiries and provide information and technical assistance concerning health coverage products and authorizes the Health and Human Services Commission to use its 2-1-1 telephone number to disseminate information regarding health coverage products provided to the commission by the department and to refer inquiries regarding such products to the division's toll-free telephone hotline. The bill authorizes the department to provide information to the commission as necessary to implement this provision. The bill authorizes the division to develop educational materials and a curriculum for high school students, conduct health coverage fairs, participate in community events, cooperate with a public or private college or university to promote enrollment in health coverage programs, and provide support and assistance to individuals and organizations seeking to develop community-based health coverage plans for uninsured individuals.

S.B. 78 authorizes, rather than requires, the commissioner to appoint a task force to make recommendations regarding the division's duties under these provisions and adds to the individuals composing the task force one or more representatives of a regional or local health care program for employees of small employers. The bill authorizes the commissioner also to select one or more individuals with experience in public relations, marketing, or another related field of professional services to serve on any task force.

S.B. 78 authorizes the department to create a federal tax "tool kit" for certain businesses, which includes materials that provide step-by-step instructions for a small employer or single-employee business obtaining health coverage and are designed to allow for favorable treatment under federal tax laws. The bill authorizes the department to make its staff available to assist small employers and single-employee businesses that are obtaining health coverage and authorizes the department to train its staff to provide such assistance by responding to telephone inquiries and speaking at events. The bill authorizes the department to employ an accountant with experience in federal tax law and the purchase of group health coverage as necessary to implement these provisions.

S.B. 78 defines "division" and "program."

**EFFECTIVE DATE**

September 1, 2009.