

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 23, 2009

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1932 by Thompson (Relating to consumer labeling requirements for certain health benefit plans; providing penalties.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to specify consumer labeling requirements for certain health benefit plans. Additionally, the bill would require the Texas Department of Insurance (TDI) to adopt rules to implement the provisions of the bill. Based on the analysis by TDI, it is assumed that there would be a one-time revenue gain of \$2,650 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in 53 additional informational filings by health maintenance organizations. Since General Revenue Dedicated Account Fund 36 is a self-leveling account, this analysis assumes all revenue generated would go toward fund balances or the maintenance tax would be set to recover a lower level of revenue the following year. It is also assumed that any costs realized by TDI from implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, CH