

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 23, 2009

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

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

IN RE: HB2256 by Hancock (Relating to requirements for contracts between physicians, hospitals, and health benefit plans.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to prohibit certain exclusive contracts or the granting of exclusive privileges between physicians, hospitals, and certain health benefit plans. It also would provide for the establishment of network adequacy standards. The bill would require a health benefit plan to submit information to the Texas Department of Insurance (TDI) about the methods used to compute out-of-network reimbursements. The bill would require TDI to adopt rules regarding the implementation of the bill. TDI indicates that it can absorb the costs associated with the bill within its current resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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