

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 10, 2009

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

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

IN RE: HB2576 by Smithee (Relating to direct payment by a health or automobile insurer of physicians and health care providers.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend Insurance Code to allow direct payment by a health or automobile insurer of physicians and health care providers. Based on the analysis of the Texas Department of Insurance (TDI), it is assumed that there would be a one-time revenue gain of \$30,300 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in additional form filings by group and individual insurers. 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