

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

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

IN RE: SB206 by Shapleigh (Relating to the reporting of information concerning the rescission of health benefit plans.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to would require health insurance companies to report information to the Texas Department of Insurance (TDI) regarding their cancellation and rescission rates. The bill would require TDI to post on the agency's website the information contained in the reports along with a form where consumers can report cancellation or rescission of their health coverage as well as complaints or suspected violations. Additionally, the bill would require TDI to maintain a toll free hotline to respond to consumer inquiries and provide technical assistance with completion of the form. The bill would require TDI to adopt rules to implement the provisions of the bill. Based on the analysis provided by TDI, any costs related to implementation 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