

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 18, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB522** by Kuempel (Relating to direct payment by a health insurer to 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 the Insurance Code relating to direct payment by a health insurer to physicians and health care providers. The bill would require health insurance policy claim forms to have the option for the claimant to assign benefits to a health care provider who provided services, and payments to providers may not be more than it would be in the absence of the assignment of benefits. It would also allow health insurance policies to provide payment directly to health care providers, if the service and insured are both covered, even in the absence of an assignment of benefits. The bill would also require insurers that issue preferred provider benefit plans to pay preferred providers directly for covered services. The bill would apply to insurance policies after January 1, 2014. Based on information provided by the Texas Department of Insurance (TDI), it is assumed that any costs associated with the implementation of this bill would be absorbed within existing staff and resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: UP, AG, ER, LXH