

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 8, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2782** by Smithee (Relating to the authority of the commissioner of insurance to disapprove rate changes for certain health benefit plans.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Insurance Code relating to the authority of the Commissioner of Insurance (Commissioner) to disapprove rate changes for certain health benefit plans. The bill would allow the Commissioner to disapprove rate changes for certain health benefit plans if the rates are determined to be excessive, inadequate, or unfairly discriminatory. The bill would require the Commissioner to establish a method for a health benefit plan issuer to dispute the disapproval of a rate change.

Based on information provided by the Texas Department of Insurance, the bill would result in the need for the agency to amend certain consumer publications and for increased legal support in the areas of rule drafting and implementation; however, it is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing staff and resources.

Based on information provided by the Teacher Retirement System, Texas A&M University System Administration, and the University of Texas System Administration, the bill would have no fiscal impact to the agencies.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

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

**LBB Staff:** UP, AG, ER, JW