

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: **HB3814** by Carter (Relating to certain limitations in health benefit plans and health insurance policies.), **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 certain limitations in health benefit plans and health insurance policies. The bill would prohibit an individual accident and health insurance policy from containing any provisions that exempting the insurer from liability for any loss sustained or contracted in consequence of the insured's being intoxicated or being under the influence of any narcotic, unless the narcotic is administered on the advice of a physician. The bill would allow an insured to purchase an optional rider to opt out of the provision.

Based on information provided by the Texas Department of Insurance (TDI), 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. Also, based on information provided by TDI, this analysis assumes that implementation of the bill would result in an increase in filings and a one-time revenue gain (\$19,000 in fiscal year 2014) in General Revenue-Dedicated Texas Department of Insurance Fund 36. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any additional revenue resulting from the implementation of the bill would accumulate in account fund balances and that the department would adjust the assessment of the maintenance tax or other fees accordingly in the following year.

Based on information provided by the Teacher Retirement System, Texas A&M University System Administration, and the University of Texas System Administration, 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: 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

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