

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 3, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB632 by Carona (Relating to contracts between optometrists or therapeutic optometrists and health maintenance organizations or insurers.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to contracts between optometrists or therapeutic optometrists and Health Maintenance Organizations (HMOs) or insurers. The bill would create a new section within the Insurance Code detailing contract requirements between optometrists and therapeutic optometrists and HMOs or insurers. The bill would also prohibit a plan from requiring a discount on a product or service that is not covered in the plan. The bill would apply to contracts 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. Also, based on information provided by TDI, this analysis assumes that implementation of the bill would result in an increase in filings in order to disclose the information required and a one-time revenue gain (\$2,650 in fiscal year 2014) in General Revenue-Dedicated Texas Department of Insurance Fund 36 from filing fees. 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 Employees Retirement System, the Teachers 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: 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance

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