

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 19, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB853** by Taylor (Relating to notice of a premium increase for certain 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 notice of a premium increase for certain health insurance policies. The bill would require an insurer to provide written notice no less than 60 days before the date on which a premium rate increase takes effect on an individual accident and health insurance policy that provide major medical expense coverage. The bill would require the notice to include information related to actual dollar amount of the premium on the date of the notice, the dollar amount of the premium after the rate increase, and the percentage change between the two. The bill would take effect immediately if it receives a vote of two-thirds of all the members in each house or on September 1, 2013.

Based on information provided by the Texas Department of Insurance, it is assumed that all costs associated with implementing the provisions of the bill could be absorbed utilizing 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