

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**March 15, 2015**

**TO:** Honorable Dan Flynn, Chair, House Committee on Pensions

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

**IN RE: HB966** by Crossover (Relating to the creation of an optional consumer-directed health plan for certain individuals eligible to participate in the group benefits program provided under the Texas Employees Group Benefits Act and their qualified dependents.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Insurance Code to require the Employees Retirement System to establish a consumer-directed health plan, which would include a high deductible health plan and a health savings account as an option for Group Benefit Program participants. Participation in the program would be voluntary.

The bill directs the state to contribute the difference, if any, between the full state contribution for HealthSelect and the coverage cost of the high deductible plan, to a health savings account. ERS reports that these amounts would be adjusted to neutralize any additional cost to the state.

ERS indicates that any additional administrative costs associated with tracking and reporting on the usage and cost-effectiveness of the consumer-directed health plan could be absorbed within existing resources.

The bill would take effect September 1, 2015, with coverage beginning September 1, 2016.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 327 Employees Retirement System

**LBB Staff:** UP, AG, EP, EMO