

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 24, 2017

TO: Honorable Larry Phillips, Chair, House Committee on Insurance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3412 by Shaheen (Relating to preauthorization by certain health benefit plan issuers of certain covered benefits under the health benefit plan.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to preauthorization by certain health benefit plan issuers of certain covered benefits under the health benefit plan. Based on information provided by the Texas Department of Insurance, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

According to the Health and Human Services Commission (HHSC), the rules adopted (if applied to Medicaid) may conflict with state or federal Medicaid law. It is assumed the provisions of the bill would not be implemented for the Medicaid program in order to avoid a loss of federal funding that could result; therefore, no significant fiscal impact to HHSC would be anticipated. If the provisions of the bill were implemented for the Medicaid program, there could be a cost to do so, but the amount cannot be determined without knowing the content of the rules.

The bill would take effect on September 1, 2017; however, the provisions of the bill would only apply to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2018.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance, 529 Health and Human Services Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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