

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 16, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

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

**IN RE:** SB507 by Hancock (Relating to mediation of the settlement of certain out-of-network health benefit claims involving balance billing.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

This bill would amend the Insurance Code relating to mediation of the settlement of certain out-of-network health benefit claims involving balance billing. The bill expands mediation for out-of-network health benefit claim disputes to include the Teacher Retirement System as well as emergency care providers and other facility-based providers. To implement the provisions of the bill, the Texas Department of Insurance anticipates increased workload and costs related to the increase in mediation requests.

Based on information provided by the Texas Department of Insurance, Office of Administrative Hearings, Texas Medical Board, Texas Board of Nursing, Employees Retirement System, Teacher Retirement System, The University of Texas System Administration, and Texas A&M University System Administration, it is assumed that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect on September 1, 2017; however, the provisions of the bill would only apply to a claim for health care or medical services provided on or after January 1, 2018.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 360 State Office of Administrative Hearings, 503 Texas Medical Board, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 507 Texas Board of Nursing

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