

BILL ANALYSIS

H.B. 3338
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

There are concerns regarding health care systems collaborating with insurance companies' plans to restrict in-network providers to doctors with privileges in the hospital system leading to individuals and employers purchasing health insurance plans labeled under a major insurance carrier without realizing that the plan features this narrow network of providers. Along with a lack of clear labeling for health maintenance organizations (HMO), this leaves Texans who believe they have adequate insurance coverage with limited access to health care providers and facilities and ultimately responsible for medical expenses out of pocket. H.B. 3338 seeks to provide for informed decision-making by consumers of health insurance plans by establishing certain requirements for an identification card or similar document issued by an HMO or insurer.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3338 amends the Insurance Code to require an identification card or other similar document issued on or after January 1, 2020, by a health maintenance organization (HMO) or an insurer that provides a preferred provider benefit plan to an HMO enrollee or to an individual insured, respectively, to display the acronym "HMO" or the acronym "PPO," as applicable, in the location of the HMO's or insurer's choice. The bill establishes that such a card or document indicates that the health benefit coverage for the health care services or medical care applicably provided does not ensure the respective enrollee or insured has access to:

- applicable services at a discounted rate if the care or services are provided by a physician or provider who is not included in the HMO delivery network or by an out-of-network provider; or
- other fee discounts available under the applicable network.

EFFECTIVE DATE

September 1, 2019.