

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 3, 2019

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

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **SB1530** by Hancock (Relating to the applicability of mediation requirements for balance billing to certain health benefit plans.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the applicability of mediation requirements for balance billing to certain health benefit plans.

The fiscal implications of the bill relating to the uncertainty of the number of Employee Retirement Income Security Act of 1974 (ERISA) plans that would elect to mediation cannot be determined at this time. Thus, this analysis assumes that no ERISA plans would opt into mediation and no significant fiscal implication to the State is anticipated. Depending on the number of ERISA plans that opt into mediation, the fiscal implication to the State could be significant for the Texas Department of Insurance (TDI) and State Office of Administrative Hearings.

Based on information provided by the Texas Medical Board, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would require TDI to adopt rules necessary for implementation no later than August 31, 2021. The bill would apply only to a managed care plan that is delivered, issued for delivery, or renewed on or after September 1, 2021. The bill would take effect on January 1, 2020.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

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