

## **BILL ANALYSIS**

S.B. 2124  
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Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Enrollees in a health benefit plan currently have the ability to opt in to receiving certain communications electronically. However, many enrollees are unaware of this option, even though it would provide greater convenience for both the insurers and many of the enrollees. S.B. 2124 seeks to give employers, also known as "plan sponsors," the authority to opt in all employees to electronic delivery by default while providing employees the ability to opt out of this paperless option should they so choose.

### **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**

S.B. 2124 amends the Insurance Code to authorize the plan sponsor of a health benefit plan, including a vision or dental benefit plan, to consent on behalf of a party enrolled in the plan to the electronic delivery of certain written communications. Before providing that consent, the sponsor must do the following:

- provide the party with certain required statements;
- confirm that the party routinely uses electronic communications during the normal course of employment; and
- provide the party an opportunity to opt out of electronic delivery.

The bill defines "plan sponsor" and applies to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2022.

### **EFFECTIVE DATE**

September 1, 2021.