

PUBLIC COMMENTS

HB 2761

HOUSE COMMITTEE ON INSURANCE

Hearing Date: March 23, 2021 10:30 AM - or upon final adjourn./recess or bill referral if permission granted

Ariel Stolbun

Children's Defense Fund - TX

Houston, TX

As an authorized representative of Children's Defense Fund-TX, I would like to register our organization's support of HB 2761. This bill would provide greater transparency of plans and benefits for Texans whose health insurance plans are included in the scope of this bill. The creation of template disclosure forms that detail what service payments are guaranteed along with the duration of the plan and information about plan renewal will help Texans choose health benefit plans that are most beneficial to them. Our organization supports this bill's efforts to help Texans make the best decisions for their health care coverage.

Janet Dudding

Self

Bryan, TX

SUPPORT

Tissie Elliott

self, retired teacher

Austin, TX

I support this bill.

Simone Nichols-Segers

National MS Society

Austin, TX

The National Multiple Sclerosis Society (Society) writes to express strong support for the common-sense consumer disclosure language required by HB 2761. The template format of the disclosure language better allows consumers to make “apples-to-apples” comparisons regarding what is, and what is not, covered by alternative health insurance products and allows those shopping for individual health insurance to make an informed decision about the level of coverage they are purchasing. This is particularly important for Texans living with multiple sclerosis (MS).

MS is an unpredictable, often disabling disease of the central nervous system that disrupts the flow of information within the brain, and between the brain and body. Symptoms range from numbness and tingling to blindness and paralysis. Recent findings estimate there are nearly 1 million Americans living with MS. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted, but advances in research and treatment are leading to better understanding and moving us closer to a world free of MS.

Clear and transparent disclosure language is important for those living with MS who are shopping for health coverage. If a person with a preexisting condition like MS mistakes alternate coverage for traditional insurance, their treatments and much of their needed care is unlikely to be covered. They may have to choose between foregoing treatment or facing unpaid medical bills and

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mounting medical debt. Studies show that early and ongoing treatment with a disease-modifying therapy (DMT) is the best way to modify the course of the disease, slow the accumulation of disability and protect the brain from damage due to MS. Many MS DMTs are now available, including some generics, but the brand median price in 2020 was \$91,835, with even generic medications often costing thousands of dollars. Without prescription drug coverage, medications to treat MS would be financially out of reach if an individual inadvertently selected an alternative coverage product that did not cover prescription drugs.

Without disclosure language to help draw attention to the lack of coverage provided by alternative coverage plans, Texas consumers are at risk. Individuals must be able to distinguish alternate plans from comprehensive coverage and understand that common consumer protections offered thanks to the Affordable Care Act - including essential health benefits like prescription drug coverage and mental health services, limits on out-of-pocket costs, and bans on annual or lifetime coverage maximums - may not be applicable.

During the 2019 Legislative Session, the Society supported the plain-language consumer disclosure requirements in legislation related to short-term, limited duration plans (SB 1852 and CSHB 2507, 2019). We urge this committee and the Texas legislature to apply these common-sense disclosure requirements to all types of alternative health insurance products by passing HB 2761.

RANLEIGH HIRSH

self

Austin, TX

I support this bill

Stacey Pogue, senior policy analyst

Every Texan (formerly CPPP)

Austin, TX

Every Texan (formerly Center for Public Policy Priorities) supports HB 2761 because it will help consumers to make an informed choice when they pick health coverage. Some consumers want comprehensive health coverage. Some want alternative coverage or bare-bones coverage. But no one wants a consumer to pick a plan that is a bad fit simply because they didn't understand the coverage, or mistook a bare-bones plan (or a few bare-bones plans bundled together) for full coverage. When that happens, consumers can be saddled with significant medical debt.

House Bill 2761 ensures that consumers who don't get job-based health insurance and must buy on their own can easily get clear and consistent information on what is and is not covered before they sign a contract or hand over any money. Ensuring that clear information is available upfront is a bare-minimum level of consumer protection, but it is lacking today in growing segments of the market for health coverage. As the market for "alternative" health coverage has grown, so have complaints about consumer confusion, misleading marketing, and the inability for consumers to get written plan information before they make a payment.

Traditional health insurance has been subject to a federal requirement for an upfront, uniform, plain-language summary of coverage since 2012. This is sometimes referred to as a "nutrition label" for coverage. Last session, the legislature responded to growing consumer confusion about one type of alternative health plan called "short-term" insurance by extending the upfront, plain-language "nutrition label" framework to these plans with unanimous support (SB 1852 and CSHB 2507, 2019). HB 2761 takes this same "nutrition label" framework passed last session and extends it to all other types of alternative health coverage listed on the Texas Department Insurance website. This concept was studied as part of the most recent interim charges for the House Insurance Committee. The Committee recommended extending upfront disclosure to nontraditional health plans and a broad array of stakeholders including patient groups, provider associations, and health insurance agents submitted supportive comments.