

## **BILL ANALYSIS**

H.B. 3091  
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Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Since the Affordable Care Act was enacted, insurance companies and employers are giving more control to employees by allowing them to make a choice to lower premiums. However, the information provided to employers and employees is not always adequate to make an informed decision. Plans with a major insurance label are created to limit patients to doctors affiliated with a specific hospital system without a health maintenance organization (HMO) label or in many examples without any HMO or preferred provider organization (PPO) label regarding coverage. These plans are limited to a network of doctors affiliated with a specific health care system. In an effort to avoid the stigma associated with an HMO label, some insurance companies are going without a label or redefining the coverage of a PPO plan by limiting provider coverage. These health plans are branded with recognized brand names like UnitedHealthcare, Aetna, and Cigna, giving the false impression that any doctor that accepts these major health care plans are in network. It's not until a patient needs to use their health insurance that they discover they cannot see the closest doctor or go to the nearest emergency department that accepts these major health care plans. H.B. 3091 seeks to provide "truth in labeling" by requiring an identification card or other similar document provided to an enrollee or insured by an HMO or PPO to display the respective acronym.

### **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. 3091 amends the Insurance Code to require an identification card or other similar document issued by a health maintenance organization (HMO) to an enrollee to display the acronym "HMO" in the location of the HMO's choice. The bill establishes that an identification card or other similar document that bears the acronym "HMO" indicates that health benefit coverage for health care services provided by a participating physician or provider does not ensure the enrollee has access to the following:

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

H.B. 3091 requires an identification card or other similar document issued by a preferred provider organization (PPO) to display the acronym "PPO" in the location of the PPO's choice. The bill establishes that an identification card or other similar document that bears the acronym

"PPO" indicates that health benefit coverage for medical care or health care services provided by a PPO does not ensure the insured has access to the following:

- medical care or health care services at a discounted rate if the services are provided by an out-of-network provider; or
- other fee discounts available under the provider network.

H.B. 3091 applies only to an identification card or other similar document issued on or after January 1, 2024.

**EFFECTIVE DATE**

September 1, 2023.