

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 18, 2023

TO: Honorable Tom Oliverson, Chair, House Committee on Insurance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB118 by Cortez (relating to health benefit plan coverage for certain tests to detect prostate cancer.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB118, Committee Report 1st House, Substituted : an impact of \$0 through the biennium ending August 31, 2025.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>School Employees UGIP Trust Fund 855</i>	Probable Savings/(Cost) from <i>RETIRED SCHOOL EMP GROUP INSURANCE 989</i>
2024	\$0	(\$149,000)
2025	(\$267,000)	(\$224,000)
2026	(\$278,000)	(\$235,000)
2027	(\$290,000)	(\$245,000)
2028	(\$302,000)	(\$255,000)

Fiscal Analysis

The bill would prohibit a health benefit plan from charging any premium, copayment, coinsurance, deductible, or any other form of cost sharing for coverage of certain tests to detect prostate cancer, including physical examinations and prostate-specific antigen (PSA) tests. The bill would take effect on September 1, 2023 and apply only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2024. A health benefit plan delivered, issued for delivery, or renewed before January 1, 2024 would be governed by previous law until the renewal date of the plan.

Methodology

According to the Teacher Retirement System (TRS), eliminating cost sharing for certain tests to detect prostate cancer is estimated to impact less than 0.05 percent of estimated claims under both the TRS-Care and TRS-ActiveCare plans. Additional costs would not increase the statutorily required state contributions to the TRS-Care and TRS-ActiveCare programs for the 2024-25 biennium; therefore, no significant fiscal impact to the General Revenue Fund is anticipated. However, the additional costs may result in the need for additional contributions from the State, employers, or members to the TRS-Care and TRS-ActiveCare programs, or for plan benefit changes.

Based on the analysis of the Employees Retirement System, Department of Insurance, Health and Human Services Commission, Texas A&M University System Administrative & General Offices, and the University of Texas System Administration, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 529 Health and Human Services Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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