

**HOUSE OF REPRESENTATIVES
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Insurance
For HB 351

Compiled on: Tuesday, March 7, 2023 1:10 PM

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Hearing Date: March 7, 2023 8:00 AM

Ryan Brannan

Association for Responsible Alternatives to Workers' Compensation
Austin, TX

Dear Members of the House Insurance Committee,

The Association for Responsible Alternatives to Workers' Compensation (ARAWC.org) is writing to provide feedback on HB 351 and to propose changes that we believe would improve the bill. As an organization committed to promoting responsible alternatives to workers' compensation and supporting economic freedom, we are concerned that the current draft of HB 351 could have unintended, negative consequences for Texas businesses and create an uneven playing field for insurance providers.

Our proposed changes to the bill are as follows:

1. **Remove Risk-Sharing Arrangement to Ensure Fair Competition.** We propose the removal or amendment of Section 2056.004(a) of the bill, which, as drafted, creates a risk-sharing arrangement between the workers' compensation carrier and the group health carrier. This provision could result in the workers' compensation carrier charging less than actuarially credible rates for workers' compensation insurance coverage and give them an unfair competitive advantage in the marketplace against non-subscriber insurance companies. Removing this provision will ensure a level playing field for all insurance providers and promote fair competition.
2. **Clarify Coverage Language to Prevent Regulatory Confusion.** We recommend clarifying language in the bill to ensure that there is no overlap between coverage for occupational injuries versus general health insurance. As drafted, the bill raises questions about how carriers would delineate between coverage for occupational injuries versus general health insurance, which could create significant regulatory burdens for insurance providers. This could lead to additional costs for Texas businesses and could potentially discourage insurance providers from offering services in Texas.

Our team would welcome the opportunity to provide additional input and feedback. We encourage the legislature to continue to focus on policies that promote fair competition, consumer choice, and responsible alternatives to workers' compensation, while preserving economic freedom.

Thank you for your attention to this important matter.

Sincerely,

Tim Osmond
Chairman
The Association for Responsible Alternatives to Workers' Compensation