

BILL ANALYSIS

Senate Research Center
89R1269 CJD-F

H.B. 721
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Health & Human Services
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The UTMB Health Multi-Share Plan provides limited but essential health care services to employees of small businesses within participating counties. This regional program operates with a capped enrollment of 500 individuals and functions on a modest budget, reinvesting all collected premium dollars directly into health care services and administrative costs. Due to its financial structure and community-based mission, the program cannot sustain additional regulatory burdens.

Current law imposes health care cost transparency requirements on health benefit plan issuers and administrators. While these requirements aim to improve consumer access to pricing data, they also introduce compliance costs that can threaten the viability of small, locally-administered health plans. The UTMB Multi-Share Plan, for example, would be unable to absorb such costs without scaling back services or ceasing operations entirely.

H.B. 721 addresses this issue by exempting certain regional or local health care programs from these transparency mandates. Specifically, it excludes plans that contract with providers within designated counties and serve small business employees and their dependents. By doing so, the bill protects access to affordable, community-based care while maintaining the original intent of transparency laws for large-scale commercial plans.

H.B. 721 amends current law relating to the applicability of certain laws requiring health care cost disclosures by health benefit plan issuers and administrators.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 1662.003(b) and (c), Insurance Code, as follows:

(b) Deletes existing text providing that, notwithstanding any other law, Chapter 1662 (Health Care Cost Transparency) applies to a regional or local health care program operated under Section 75.104 (Health Care Services), Health and Safety Code. Makes nonsubstantive changes.

(c) Provides that this chapter does not apply to certain health benefit plans, including a regional or local health care program operated under Section 75.104, Health and Safety Code. Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 2025.