

BILL ANALYSIS

H.B. 721
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The University of Texas Medical Branch (UTMB) Health Multi-Share Plan is a program that offers members the opportunity for basic health coverage to mitigate the inappropriate use of local emergency department care or no care at all. The UTMB Health Multi-Share Plan provides a set number of physician, urgent care, and emergency room visits, outpatient procedures, inpatient days, and ancillary needs, such as imaging and laboratory services. The bill author has informed the committee that the program has an enrollment cap of 500 members at any given time, as UTMB Health is financially at risk for all claims above the amount of premium generated, and that because the program is designed to reinvest all premium dollars collected into the administration and benefits, there is a very small program team and a modest budget.

State law establishes certain requirements for health benefit plan issuers and administrators relating to health care cost transparency, and the bill author has informed the committee that if required to meet these requirements, the program would no longer be viable given the anticipated costs and resources required to maintain such compliance. H.B. 721 seeks to address this issue by exempting certain regional or local health care programs, including the UTMB Health Multi-Share Plan, from those health care cost transparency requirements.

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. 721 amends the Insurance Code to exempt a regional or local health care program that contracts with health care providers within the boundaries of the participating county or counties to provide health care services directly to the employees of participating small employers and those employees' dependents from statutory provisions requiring health care cost disclosures by health benefit plan issuers and administrators.

EFFECTIVE DATE

September 1, 2025.