

## **BILL ANALYSIS**

H.B. 1687  
By: Oliverson  
Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The 88th Texas Legislature passed H.B. 2002, which allowed any out-of-pocket cash payment made by an individual for medically necessary services and supplies to be credited toward their deductible and annual maximum out-of-pocket expenses. The bill author has informed the committee that although the cash price of some services is lower than a health plan's negotiated rate, before the passage of H.B. 2002 patients were not incentivized to seek out these deals because their cash payments did not count toward the deductible or maximum out-of-pocket expenses. H.B. 1687 seeks to extend the ability to apply out-of-pocket cash payments toward deductibles and maximum out-of-pocket expenses to certain government employee health plans to which the previous legislation did not apply.

### **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. 1687 amends the Insurance Code to require an issuer or administrator of an applicable health benefit plan to credit toward an enrollee's deductible and annual maximum out-of-pocket expenses an amount the enrollee pays directly to any physician or health care provider for a medically necessary covered medical or health care service or supply if a claim for the service or supply is not submitted to the issuer or administrator and the amount paid by the enrollee to the physician or health care provider is less than the average discounted rate for the service or supply paid to an equivalently licensed or authorized preferred provider under the enrollee's health benefit plan. The bill requires the health benefit plan issuer or administrator to establish a procedure by which an enrollee may claim an out-of-pocket expense credit and identify documentation necessary to support a claim for such credit. The bill requires information about that procedure and documentation to be readily accessible to an enrollee on the issuer's or administrator's website. The bill applies only to the following health benefit plans:

- a basic coverage plan under the Texas Employees Group Benefits Act;
- a basic plan under the Texas Public School Retired Employees Group Benefits Act;
- a primary care coverage plan under the Texas School Employees Uniform Group Health Coverage Act;
- a plan providing basic coverage under the State University Employees Uniform Insurance Benefits Act;
- county employee group health benefits provided under statutory provisions relating to assistance, benefits, and working conditions of county officers and employees; or

- health and accident coverage provided by a risk pool created under the Texas Political Subdivision Employees Uniform Group Benefits Act.

H.B. 1687 applies only to a health benefit plan delivered, issued for delivery, or renewed, or a plan year that commences, on or after January 1, 2026.

**EFFECTIVE DATE**

September 1, 2025.