

BILL ANALYSIS

C.S.H.B. 3747
By: Manuel
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill's author has informed the committee that Medicaid recipients often face challenges in accessing comprehensive health care coverage, particularly when navigating options available through private health insurance marketplaces, and that current regulations on Medicaid managed care organizations (MCOs) limit their ability to inform enrollees about alternative coverage options, such as qualified health plans available through state or federal exchanges. This restriction may contribute to gaps in coverage and limit individuals' ability to make informed decisions about their healthcare options. C.S.H.B. 3747 seeks to address this issue by preventing the Health and Human Services Commission from establishing marketing guidelines that prohibit an MCO from informing a recipient about the availability of certain qualified health plans or from advertising a Medicare Advantage plan at a community enrollment or other event.

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

C.S.H.B. 3747 amends the Government Code to prohibit the marketing guidelines the Health and Human Services Commission (HHSC) establishes for Medicaid managed care organizations (MCO) from prohibiting such an organization from doing the following:

- informing an individual, including a current or former Medicaid recipient, about the availability of qualified health plans offered through an exchange; or
- advertising a Medicare Advantage plan or related benefit offered under the federal Social Security Act at a community enrollment or other event.

The bill defines "exchange" and "qualified health plan" by reference to federal regulations regarding exchange establishment standards and other related standards under the federal Patient Protection and Affordable Care Act.

If before implementing any provision of this bill a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision must request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 3747 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced prohibited the HHSC marketing guidelines from prohibiting a Medicaid MCO from informing a Medicaid recipient about the availability of qualified health plans offered through an exchange, the substitute prohibits the marketing guidelines from informing an individual, including a current or former Medicaid recipient, about the availability of those health plans. The substitute includes a prohibition absent from the introduced against the marketing guidelines prohibiting a Medicaid MCO from advertising a Medicare Advantage plan or related benefit at a community enrollment or other event.