

## **BILL ANALYSIS**

Senate Research Center  
89R1716 JG-D

S.B. 963  
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Health & Human Services  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Managed Care Organizations (MCOs) report that current guidelines from the Health and Human Services Commission (HHSC) restrict their ability to inform enrollees who may not qualify for Medicaid about health plan options available though healthcare.gov.

These limitations prevent MCOs from providing essential information to members who no longer qualify for Medicaid but may be eligible for subsidized coverage in the individual marketplace.

Many Texans transitioning out of Medicaid are unaware of their options. Supporting awareness of individual market options helps ensure continuity of care and prevents gaps in coverage.

S.B. 963 prevents HHSC from establishing marketing guidelines that prohibit an MCO from informing a recipient about the availability of qualified health plans offered through healthcare.gov. By allowing MCOs to provide information, Texas can continue to reduce the uninsured rate and increase access to health coverage.

S.B. 963 empowers patients to make informed decisions and gives MCOs the flexibility they desire to serve their recipients.

As proposed, S.B. 963 amends current law relating to allowing Medicaid managed care organizations to inform Medicaid recipients about the availability of certain private health benefit plan coverage.

### **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 Section 540.0055, Government Code, as effective April 1, 2025, by adding Subsection (c), as follows:

(c) Prohibits the marketing guidelines the Health and Human Services Commission establishes under Section 540.0055 (Marketing Guidelines) from prohibiting a Medicaid managed care organization from informing a recipient about the availability of qualified health plans offered through an exchange. Defines "exchange" and "qualified health plan."

SECTION 2. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, authorizes delay of implementation until such a waiver or authorization is granted.

SECTION 3. Effective date: September 1, 2025.