

By: Dean

H.B. No. 138

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Health Impact, Cost, and Coverage Analysis Program; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 38, Insurance Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. HEALTH IMPACT, COST, AND COVERAGE ANALYSIS PROGRAM

Sec. 38.451. DEFINITIONS. In this subchapter:

(1) "Analysis program" means the Health Impact, Cost, and Coverage Analysis Program established under Section 38.452.

(2) "Center" means the Center for Health Care Data at The University of Texas Health Science Center at Houston.

(3) "Enrollee" means an individual who is enrolled in a health benefit plan, including a covered dependent.

(4) "Health benefit plan issuer" means an insurer, health maintenance organization, or other entity authorized to provide health benefits coverage under the laws of this state, including a Medicaid managed care organization. The term does not include an issuer of workers' compensation insurance.

(5) "Health benefits coverage" does not include workers' compensation.

(6) "Health care provider" means a physician, facility, or other person who is licensed, certified, registered, or otherwise authorized to provide a health care service in this

1 state.

2 (7) "Health care service" means a service, procedure,
3 drug, or device to diagnose, prevent, alleviate, cure, or heal a
4 human disease, injury, or unhealthy or abnormal physical or mental
5 condition, including a service, procedure, drug, or device related
6 to pregnancy or delivery.

7 (8) "Mandate" means a provision contained in a
8 legislative document that requires a health benefit plan issuer or
9 administrator, with respect to health benefits coverage, to:

10 (A) provide coverage for a health care service;

11 (B) increase or decrease payments to health care
12 providers for a health care service; or

13 (C) implement a new contractual or
14 administrative requirement.

15 Sec. 38.452. ESTABLISHMENT OF HEALTH IMPACT, COST, AND
16 COVERAGE ANALYSIS PROGRAM. The center shall establish the Health
17 Impact, Cost, and Coverage Analysis Program to prepare analyses of
18 legislative documents that would impose new mandates on health
19 benefit plan issuers or administrators in this state.

20 Sec. 38.453. REQUEST FOR ANALYSIS OF PROPOSED LEGISLATION.

21 (a) Regardless of whether the legislature is in session, the
22 lieutenant governor, the speaker of the house of representatives,
23 or the chair of the appropriate committee in either house of the
24 legislature may submit a request to the analysis program to prepare
25 and develop an analysis of proposed legislation that imposes a new
26 mandate on health benefit plan issuers or administrators in this
27 state.

1 (b) A request may not be submitted under this section for an
2 analysis of legislation that has already been enacted.

3 (c) A request submitted under this section must include a
4 copy of the relevant legislative document.

5 Sec. 38.454. IMPACT ANALYSIS OF LEGISLATION ON HEALTH
6 COVERAGE COSTS. (a) Except as provided by Subsection (b), on
7 receiving a request under Section 38.453, the analysis program
8 shall conduct an analysis of, as applicable, and prepare an
9 estimate of, as applicable, the extent to which:

10 (1) the legislation is expected to increase or
11 decrease the total cost of health coverage in this state, including
12 the estimated dollar amount of that increase or decrease;

13 (2) the legislation is expected to increase the use of
14 any relevant health care service in this state;

15 (3) the legislation is expected to increase or
16 decrease administrative expenses of health benefit plan issuers or
17 administrators and expenses of enrollees, plan sponsors, and
18 policyholders;

19 (4) the legislation is expected to increase or
20 decrease spending by all persons in the private sector, by public
21 sector entities, including state or local retirement systems and
22 political subdivisions, and by individuals purchasing individual
23 health insurance or health benefit plan coverage in this state;

24 (5) the legislation is expected to reduce:

25 (A) instances of premature death; or

26 (B) economic loss associated with disease;

27 (6) health benefit plans offered or administered in

1 this state currently deny access to a relevant benefit or service;

2 (7) coverage for any relevant health care service is,
3 without the legislation, generally available or used; or

4 (8) any relevant health care service is supported by
5 medical and scientific evidence, including:

6 (A) determinations made by the United States Food
7 and Drug Administration;

8 (B) coverage determinations made by the Centers
9 for Medicare and Medicaid Services;

10 (C) determinations made by the United States
11 Preventive Services Task Force; and

12 (D) nationally recognized clinical practice
13 guidelines.

14 (b) If, in conducting an analysis under this section, the
15 analysis program determines that the analysis program is unable to
16 provide a reliable assessment of a factor described by Subsection
17 (a), the analysis program shall include in the analysis a statement
18 providing the basis for that determination.

19 (c) In conducting an analysis under this section, the
20 analysis program may consult with persons with relevant knowledge
21 and expertise.

22 Sec. 38.455. REPORT. Not later than the 60th day after the
23 date the analysis program receives a request under Section 38.453,
24 or, if the analysis program receives a request under that section
25 during a regular legislative session, not later than the 45th day
26 after the date the analysis program receives the request, the
27 center shall prepare a written report containing the results of the

analysis performed under Section 38.454 and:

(1) deliver the report to the lieutenant governor, the speaker of the house of representatives, and the appropriate committees in each house of the legislature; and

(2) make the report available on a generally accessible Internet website.

Sec. 38.456. FUNDING OF ANALYSIS PROGRAM; FEE. (a) The comptroller shall assess an annual fee on each health benefit plan issuer that is not operating solely as a Medicaid managed care organization in the amount necessary to implement this subchapter.

(b) The comptroller shall, in consultation with the center:

(1) determine the amount of the fee assessed under this section; and

(2) adjust the amount of the fee assessed under this section for each state fiscal biennium to address any:

(A) estimated increase in costs to implement this subchapter; or

(B) deficits incurred during the preceding year as a result of implementing this subchapter.

(c) Not later than August 1 of each year, a health benefit plan issuer shall pay the fee assessed under this section to the comptroller. The legislature may appropriate money received under this section only to the center to be used by the center to administer the center's duties under this subchapter.

(d) The comptroller shall adopt rules to administer this section.

Sec. 38.457. DATA CALL ON ADMINISTRATIVE EXPENSES. (a) Not

1 later than the 30th day after the date the commissioner receives a
2 request from the center, the commissioner shall issue a special
3 data call for an estimate of administrative expenses related to
4 specific legislation analyzed by the analysis program.

5 (b) The commissioner shall provide the special data call
6 issued under this section to only the five largest health benefit
7 plan issuers affected by the legislation subject to the data call
8 under Subsection (a), as measured by a health benefit plan issuer's
9 total number of enrollees.

10 (c) A response to the special data call issued under this
11 section is not subject to disclosure under Chapter 552, Government
12 Code.

13 (d) A report prepared by the center under this subchapter
14 may not disclose a health benefit plan issuer's individual response
15 to a data call under this section.

16 SECTION 2. (a) As soon as practicable after the effective
17 date of this Act, the Center for Health Care Data at The University
18 of Texas Health Science Center at Houston shall develop a cost
19 estimate of the amount necessary to fund the actual and necessary
20 expenses of implementing Subchapter J, Chapter 38, Insurance Code,
21 as added by this Act, for the first state fiscal biennium in which
22 the Health Impact, Cost, and Coverage Analysis Program will operate
23 under that subchapter.

24 (b) Not later than January 1, 2026, the Center for Health
25 Care Data at The University of Texas Health Science Center at
26 Houston shall establish the Health Impact, Cost, and Coverage
27 Analysis Program as required by Section 38.452, Insurance Code, as

1 added by this Act.

2 SECTION 3. Not later than January 1, 2026, the comptroller
3 of public accounts shall adopt rules as required by Section 38.456,
4 Insurance Code, as added by this Act.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2025.