

## **BILL ANALYSIS**

C.S.H.B. 3911  
By: Vo  
Insurance  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been noted that the quality and adequacy of a network used by a preferred provider benefit plan should be evaluated periodically and that the network of an exclusive provider benefit plan should be evaluated more frequently. C.S.H.B. 3911 seeks to ensure that insurers do not fall short of their obligation to provide adequate networks.

### **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. 3911 amends the Insurance Code to require the commissioner of insurance to examine an insurer to determine the quality and adequacy of a network used by a preferred provider benefit plan or an exclusive provider benefit plan offered by the insurer. The bill establishes that an insurer is subject to a qualifying examination of the insurer's preferred provider benefit plans and exclusive provider benefit plans and subsequent quality of care and network adequacy examinations by the commissioner at least once every three years and whenever the commissioner considers an examination necessary. The bill changes the account to which the Texas Department of Insurance (TDI) is required to deposit an assessment collected with regard to such an examination from the TDI operating account to an account with the Texas Treasury Safekeeping Trust Company to be used for certain purposes.

### **EFFECTIVE DATE**

September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3911 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the minimum frequency with which an insurer is subject to a qualifying examination of certain plans and subsequent quality of care and network adequacy examinations by the commissioner.