

**SUBJECT:** Examining certain health insurance provider networks

**COMMITTEE:** Insurance — committee substitute recommended

**VOTE:** 8 ayes — Lucio, Oliverson, S. Davis, Julie Johnson, Lambert, Paul, C. Turner, Vo

0 nays

1 absent — G. Bonnen

**WITNESSES:** For — Ray Callas, Texas Medical Association, Texas Society of Anesthesiologists; (*Registered, but did not testify*: Stacey Pogue, Center for Public Policy Priorities; Greg Hansch, National Alliance on Mental Illness Texas; Marshall Kenderdine, Texas Academy of Family Physicians; Deanna L. Kuykendall, Texas Brain Injury Providers Alliance; Price Ashley, Texas College of Emergency Physicians; Bobby Hillert, Texas Orthopaedic Association; Jenna Courtney, Texas Radiological Society; Michael Grimes, Texas Society of Pathologists; Bradford Holland; John Lee Sang; Robert Rogers)

Against — None

On — Jamie Dudensing, Texas Association of Health Plans; (*Registered, but did not testify*: Jamie Walker, Texas Department of Insurance)

**BACKGROUND:** Insurance Code sec. 1301.0056 allows the Texas insurance commissioner to examine an insurer to determine the quality and adequacy of a network used by an exclusive provider benefit plan. An insurer is subject to a qualifying examination of the insurer's exclusive provider benefit plan and subsequent quality of care examinations by the commissioner at least once every five years.

It has been noted that while statute allows the quality and adequacy of a network used by an exclusive provider benefit plan to be periodically evaluated, current statute does not address networks used by preferred

provider benefit plans.

**DIGEST:**

CSHB 3911 would require the commissioner of the Texas Department 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.

Under the bill, an insurer would be subject to a qualifying examination of the insurer's preferred provider benefit plan and exclusive provider benefit plan and subsequent quality of care and network adequacy examinations by the commissioner at least once every three years and whenever the commissioner considered an examination necessary.

Assessments collected in relation to such examinations would be deposited in the account statutorily dedicated to paying expenses related to the examination of insurers.

The bill would take effect September 1, 2019.