

Calendars Support: HB 1073, HB 2414, & HB 3351

State Health Insurance Laws are Out of Date
These Bills Modernize Health Plans

Texas is Behind, a Trio of Bills Help Us Catch Up: Three bills moving in the House update insurance laws to offer high value benefit designs becoming the standard in health care.

HB 1073 by Representative Lacey Hull, modernizes the insurance code to remove restrictions on value based health coverage.

- This bill is supported widely by primary care doctors, business groups, and health care experts.
- Texas laws, written decades ago, limit payment and benefit design innovation.
- HB 1073 will allow health plans and physicians to develop and test innovative, value-based payment and delivery models in the commercial market.

HB 2414 by Representative James Frank, opens up incentives for patients to shop for low-cost, high-value health care options; just like big employers use in their health plans:

- Price transparency laws show that prices for the same services and procedures vary significantly between health care providers within the same geographic area.
- In Dallas, the cost for a total knee replacement varies from \$16,000 to \$61,000.
- Price transparency helps but patients still lack incentives to become informed shoppers.
- That's where incentives are needed and state laws inhibit health plan arrangements that can encourage patients to be smarter shoppers.
- HB 2414 let's health plans use the same kinds of incentives employers use to encourage the use of lower cost, higher value care.

HB 3351 by Representative Caroline Harris removes barriers that restrict health plans from sharing quality of care information with patients.

- Price transparency is meaningless without related quality comparisons.
- Patients can't properly interpret pricing information without also having information about the quality of different services.
- Texas laws create unworkable barriers to providing patients with information about the quality of providers. HB 3351 reduces those barriers and updates state laws to make quality of care information more accessible.