Texas Association of Health Plans
1001 Congress Ave., Suite 300
Austin, Texas 78701
P: 512.476.2091
www.tahp.org

May 19, 2025

Re: Opposed to SB 1642

Dear Chair Dean and Members of the House Insurance Committee,

The Texas Association of Health Plans (TAHP) is the statewide organization representing health insurers, HMOs, Medicaid managed care organizations, and related entities covering more than 20 million Texans. **TAHP opposes Senate Bill 1642, which would replace the single-commissioner model at the Texas Department of Insurance (TDI) with a three-member commission. While we value the intent to broaden expertise, we believe this structural change will create unnecessary bureaucracy, slow regulatory responsiveness, and risk conflicts of interest.**

A Single Commissioner Preserves Accountability and Efficiency

Currently, TDI functions under a single commissioner appointed by the governor, allowing swift and consistent decision-making across multiple lines of insurance. Converting to a three-member commission introduces additional layers of deliberation, making it harder for TDI to respond effectively to market changes, natural disasters, or urgent consumer issues. This more complex governance model also increases administrative costs, which could ultimately trickle down to insurers and consumers.

Conflict of Interest Concerns

SB 1642 specifically includes physicians, dentists, chiropractors, podiatrists, and health care administrators among those eligible for appointment. Individuals from these professions have a direct stake in insurance regulatory decisions and could face significant conflicts of interest. Placing them in positions of regulatory authority risks undermining public confidence in TDI's impartiality, especially given the wide scope of TDI's jurisdiction over commercial, personal, and health insurance matters. While the bill aims to bring specialized knowledge, it may compromise the neutrality essential to fair, transparent regulation.

Preserving a Clear and Effective Regulatory Framework

The single-commissioner approach has worked well in Texas, combining accountability with the flexibility to respond quickly to emerging challenges. Introducing multiple commissioners,

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particularly with direct ties to regulated professions, risks hindering TDI's ability to uphold its mission of protecting consumers and ensuring a stable insurance market.

For these reasons, TAHP respectfully opposes SB 1642. We appreciate the committee's attention to our concerns and stand ready to work with you on approaches that preserve effective, balanced insurance regulation in Texas.

Thank you for your consideration and for your leadership on behalf of Texas consumers and businesses.

Sincerely,

Jamie Dudensing, RN
Chief Executive Officer
Texas Association of Health Plans