

**SUBJECT:** Allowing TRS members to seek mediation of out-of-network claims

**COMMITTEE:** Insurance — favorable, without amendment

**VOTE:** 9 ayes — Phillips, Muñoz, R. Anderson, Gooden, Oliverson, Paul, Sanford, Turner, Vo

0 nays

**WITNESSES:** For — (*Registered, but did not testify:* Blake Hutson, AARP Texas; Patricia Kolodzey, Blue Cross Blue Shield of Texas; Stacey Pogue, Center for Public Policy Priorities; Robert McLain, Channing ISD; Amanda Martin, Texas Association of Business; Jamie Dudensing, Texas Association of Health Plans; Lee Manross, Texas Association of Health Underwriters; Ann Fickel, Texas Classroom Teachers Association; Clayton Stewart, Texas Medical Association; Brock Gregg, Texas Retired Teachers Association; Curtis Seidlits, Texas State Teachers Association; Dwight Harris, Texas AFT; Monty Exter, Association of Texas Professional Educators)

Against — None

On — (*Registered, but did not testify:* Rick Morris, Texas Attorney Mediators Coalition; Doug Danzeiser, Texas Department of Insurance; Katrina Daniel, Teacher Retirement System)

**BACKGROUND:** Insurance Code, ch. 1467 governs the out-of-network claim dispute resolution process that applies to preferred provider benefits plans and plans other than health maintenance organization plans administered by the Employees Retirement System of Texas (ERS). Sec. 1467.051 allows an enrollee of a preferred provider benefit plan or a health benefit plan administered by ERS to request mediation of an out-of-network claim above \$500.

**DIGEST:** HB 1428 would extend the out-of-network claim dispute resolution process to certain health benefit plans administered by the Teacher

Retirement System of Texas and their enrollees.

The bill would take effect September 1, 2017, and would apply to a health benefit claim issued on or after January 1, 2018.

**SUPPORTERS  
SAY:**

HB 1428 would allow active and retired public school employees to seek mediation of an out-of-network claim above \$500 by adding them to the existing mediation system for disputing out-of-network health claims. Currently, enrollees in preferred provider benefit plans and the Employees Retirement System have access to this mediation process, and extending access to active and retired public school employees would enhance consumer protection and could save these current and former state employees money. Increasing potential cost-savings for these employees is crucial, especially as the Legislature considers changes to benefits.

**OPPONENTS  
SAY:**

No apparent opposition.