

# State Corporation Commission

## 2019 Fiscal Impact Statement

**1. Bill Number:** HB2639

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Byron

**3. Committee:** Commerce and Labor

**4. Title:** Health care shared savings; incentive programs.

**5. Summary:** Requires health carriers to establish a comparable health care service incentive program under which savings are shared with a covered person who elects to receive a covered health care service from a lower-cost provider. Incentive payments are not required for savings of \$25 or less. Programs are required to be approved by the Commissioner of Insurance. The measure also requires health carriers to make available an interactive mechanism on their website that enables a covered person to compare costs between providers in-network, calculate estimated out-of-pocket costs, and obtain quality data for those providers, to the extent available. The measure exempts certain health maintenance organizations from these requirements. The measure requires health care facilities and practitioners to provide a covered person an estimate of charges prior to an admission, procedure, or service. All health care providers are required to provide a description of the elective procedure or test, or the applicable standard procedural terminology or medical codes used by the American Medical Association, sufficient to allow a patient to compare care options if the patient is being referred for an elective procedure or test.

**6. Budget amendment necessary:** No

**7. Fiscal Impact Estimates:** Fiscal Impact Estimates on the State Corporation Commission to carry out the provisions of House Bill 2639 are not available. See Item 8 below.

**8. Fiscal Implications:** The State Corporation Commission recognizes that additional resources will be necessary to perform the functions of the new Comparable Health Care Service Incentive Program. A preliminary review indicates that the Commission could absorb the cost of these additional resources.

**9. Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance

**10. Technical amendment necessary:** No

**11. Other comments:** House Bill 2639 is similar to 2018 House Bill 1001. The State Corporation Commission Bureau of Insurance has provided technical assistance to the patron and interested parties on the provisions of the bill.

House Bill 2639 is assigned to Commerce and Labor Subcommittee #1.

**Date:** 01/17/19/V. Tompkins