

OPPOSE THE COMMITTEE SUBSTITUTE FOR HOUSE BILL 139 (CSHB 139)

CSHB 139 creates “Employer Choice of Benefits (ECOB) Plans,” a new type of health insurance plan that fails to provide meaningful coverage and basic patient and provider protections against harmful health plan practices.

Key Points:

- CSHB 139 negates decades of laws passed by the legislature to foster certainty and consistency in our regulatory environment when it comes to health care access and delivery.**
 - Differing standards among plans creates uncertainty and increases administrative burdens on small and independent physicians, pharmacies, and other providers. These administrative burdens limit clinicians’ time with patients and can ultimately drive up the cost of care.
 - It will also leave patients with gaps in coverage and new surprise bills created by coverage that departs from consumer expectations.
- CSHB 139 undermines consumer protections against harmful insurance practices, shifting costs and burdens onto patients.**
 - ECOB plans would sidestep key state and federal safeguards. The bill removes important protections that prevent unchecked patient steering and opaque provider ranking by health plans and removes transparency when it comes to pharmacy benefit manager (PBM) behaviors that drive up patients’ drug costs.
- CSHB 139 will drive up the cost of health care by adding to administrative complexity and uncertainty.**
 - ECOB plans could expand the use of prior authorization and undermine decades of pro-patient reform efforts to reduce unnecessary delays in care, inefficiencies, and administrative burdens.
 - Additionally, the bill would allow for arbitrary payment delays and disputes and would strip back critical provider protections, decreasing practice stability and opening the door for discriminatory or opaque plan behavior.
- CSHB 139 will reduce access to care by harming independent practice viability.**
 - By creating instability for independent clinicians and facilities, the bill encourages consolidation through regulatory arbitrage.
 - The bill would devastate independent clinicians, limiting patient choice in critical areas of care.
- CSHB 139 does not deliver on the goal of lowering premiums.**
 - Texas already has lower-than-average premiums. No data indicates that consumer protections significantly drive costs.
 - Nothing in the bill requires ECOB plans to be offered at a lower rate or for insurers to share any potential savings with consumers or employers through lower premiums.

For more information, please contact **Ben Wright** at ben.wright@texmed.org.

