



Physicians Caring for Texans

**House Committee on State Affairs**  
**Testimony by Raul Benavides Jr., MD, Texas Medical Association**  
**House Bill 5402 (Health Insurance Impact Statements)**  
**by Chair Charlie Geren**  
*April 30, 2025*

---

Chair King, Vice Chair Hernandez, and committee members, my name is Dr. Raul Benavides, and I am here today on behalf of the Texas Medical Association (TMA) to testify in opposition to House Bill 5402 by Chair Geren.

TMA agrees fiscal transparency is important. However, as drafted, HB 5402 would permit unverified and potentially one-sided cost estimates to shape debate on health insurance legislation. The bill would require the Legislative Budget Board to prepare fiscal impact statements for any bill affecting health insurers – but without sufficient safeguards to ensure the information is objective, impartial, and balanced.

We have the following serious concerns:

- First, HB 5402’s scope should be narrowed to coverage mandates only. Information on coverage costs is available. In contrast, estimating the cost of consumer protections or administrative requirements would be highly speculative and unreliable;
- Second, fiscal analyses should reflect both **premiums** and **out-of-pocket expenses**. If, for example, premiums decline but deductibles or copays rise, that’s critical context legislators deserve to see;
- Third, analyses must consider **long-term cost savings**, not just up-front costs. For example, requiring coverage of cancer screenings may increase short-term costs but reduce expensive late-stage cancer treatments over time;
- Fourth, to protect the integrity of the process, cost data should come from **objective, impartial sources**, not private entities, with full disclosure of data sources, methodology, and assumptions;
- Fifth, if the board is unable to provide an objective analysis or has insufficient information to provide a reliable estimate, the board should be prohibited from producing or attaching the analysis to the bill; and
- Finally, the legislation should include a **sunset date** so the legislature can reassess the program's value.

Without these changes, HB 5402 risks becoming a tool to amplify health insurer opposition without fair consideration of patient benefits, access to physician care, or public health outcomes. We respectfully urge the committee to oppose HB 5402 as filed.

Thank you for your time, and I am happy to answer any questions.