

# THE TEXAS 2036 DIFFERENCE

Health Care Texans Need  
at a Price They Can Afford



## OUR APPROACH

For five million Texans, the most significant barrier to accessing care when they need it at a price they can afford is a lack of health insurance. But even for those who have insurance – the vast majority of Texans – the financial support provided by their plans is not enough to guarantee that they can access care at a price they can afford.

Nearly two-thirds of insured Texas families are skipping care due to price. And with the average annual premium for an employer-sponsored family insurance plan nearing \$24,000 (nearly one-third of the median Texas household income), simply demanding that insurers and employers pay more ultimately risks harming Texans by reducing their take-home pay and job security.



Texas 2036 is focused on ensuring Texans can get the care they need, when they need it, at a price they can afford by addressing barriers to both coverage and affordability.

Texas 2036's policy prescription is already having a positive impact, with estimates showing an increased enrollment of **370,000 Texans in affordable health plans** attributable to 2021's **Senate Bill 1296**. This reform has positioned Texas as a national leader in optimizing the Individual Marketplace to state-level conditions.

In 2023, we built on this success by working with lawmakers to craft **House Bill 711**, limiting the harmful effects of consolidated health care markets and empowering employers to leveraging recent advances in price transparency to lower the costs of services and coverage.



## 2021: EXPANDING COVERAGE & TRANSPARENCY

Texas 2036 played a significant role in shaping legislation that increases health coverage options for Texans by addressing the disparate needs of the roughly 5 million Texans without insurance.

Texas 2036 provided data and policy expertise, informing key legislative successes like:

- **Senate Bill 1137**, which required hospitals to provide transparent pricing information to the public and was supported by a strong regulatory enforcement mechanism.
- **Senate Bill 1296**, which required Texas to take back control of the rate review process from the federal government and align premiums to optimize federal subsidies.
- **House Bill 3752** and **House Bill 3924**, which authorize Texas Mutual Insurance Company and the Texas Farm Bureau to offer alternative health benefit plans to the millions of Texans whose needs are not met by current ACA policies.
- **House Bill 2658**, which reduced the number of children removed from Medicaid due to paperwork errors by streamlining eligibility reviews.
- **House Bill 133**, which expanded eligibility for Medicaid for pregnant women from 2 months to 6 months postpartum.
  - This coverage was expanded to a full year in 2023's **House Bill 12**. Texas 2036 supported these efforts.

## 2023: IMPROVING AFFORDABILITY

Texas 2036 played a significant role in shaping legislation that improves affordability, ensuring necessary care is more accessible both for those with coverage – and those without.

Texas 2036 provided data and policy expertise, informing key legislative successes like:

- **House Bill 711**, which empowers employers to reduce healthcare expenses by prohibiting anti-competitive practices by health systems and insurers.
- **Senate Bill 490**, which requires health care facilities to provide patients with plain language and itemized bills and will ensure that patients are able to verify the accuracy of their medical bills, helping patients to identify billing errors and reduce mistaken medical debt.
- **House Bill 2002**, which allows certain cash payments to count toward an insured patient's deductible, eliminating a barrier keeping customers from shopping for care.
- **House Bill 3414**, which improves access to health care data and research from the state's new All Payer Claims Database.
- **House Bill 25**, which creates a pathway for the state to import prescription drugs from Canada at a significant price savings to Texans.





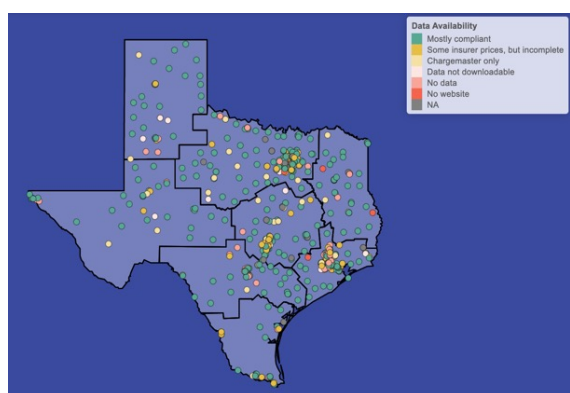
# IMPROVING AFFORDABILITY

Texas 2036 worked in support of the passage and subsequent implementation of legislation to improve hospital price transparency, with the goal of empowering employers to **make more informed decisions about their health care spending and health benefit plan design.**

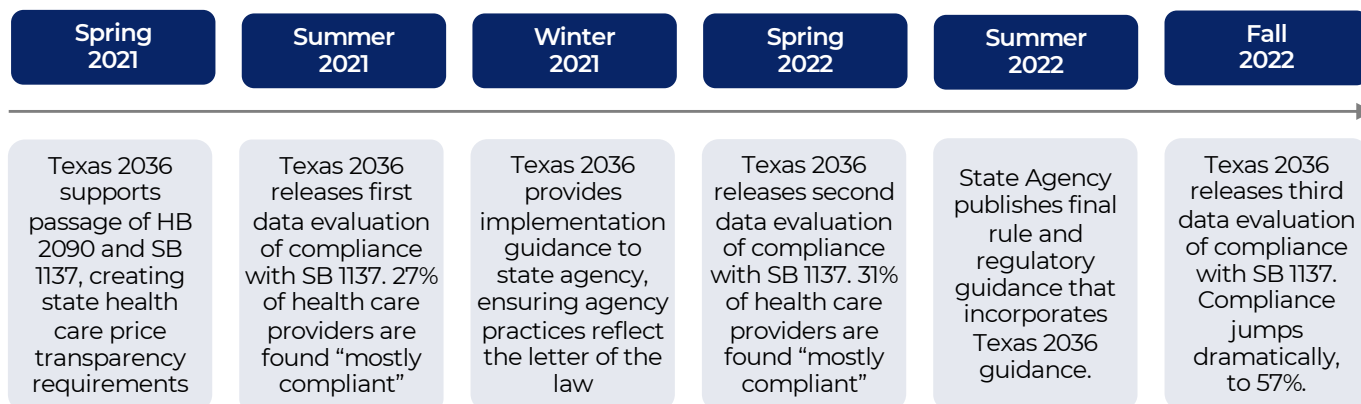
**68%**  
of Texans skip care due to cost, including 65% of insured Texans

**41%**  
of Texans – including 52% of moms – said their household had skipped care because they didn't know what the final cost would be

To aid implementation, Texas 2036 played a leading role in the rulemaking process to ensure the agency followed the letter of the law regarding non-compliance provisions. Texas 2036 also conducted extensive data analysis to determine whether health care providers were complying with state law, identifying challenges and areas for compliance improvement.



For complying health care providers, Texas 2036 has created a free public dashboard that allows users to review insurer-specific prices for common medical procedures. This research and data visualization shows wide price disparities for the same health care services, even when offered at the same hospital or in the same region. These findings, when utilized by employers in their health benefit plans, **can ultimately help patients find better value and obtain better price certainty, reducing the likelihood that they will skip needed care.**



## Variation in price across hospitals and payers

In this chart, each point represents an insurer-negotiated price at a specific hospital. This shows the variation across hospitals (differences in points left to right) and insurers (the spread of points vertically). Cash prices\* are indicated by a green diamond.

