



Testimony

HB 573

Testimony Before the Texas House Committee on Insurance

by David Balat, Director, Right on Healthcare

Chairman Oliverson and Members of the Committee:

My name is David Balat. I am the director of the Right on Healthcare initiative at the Texas Public Policy Foundation and have worked in the healthcare industry as a hospital executive and CEO for nearly 20 years. Thank you for giving me the opportunity to testify in support of HB 573.

Unfortunately, affordable healthcare is out of reach for many Texans.

According to research studies, over half of Texans say it is difficult for them and their family to afford healthcare, and about 4 in 10 Texans say that they or someone in their household has had problems paying medical bills.

A big part of the reason why healthcare is out of reach for so many is that there are not enough options, specifically market-based healthcare options, available to Texans. Options like healthcare cost-sharing organizations and direct primary care are key to making the delivery of medical care more affordable.

Healthcare cost sharing works well for many Texans, including myself.

In addition to providing an affordable option for large or unexpected medical expenses, healthcare cost sharing improves the overall system and promotes price transparency by increasing the number of cash-pay clients who shop for medical procedures and demand fair and transparent prices.

Healthcare cost sharing also puts the doctor-patient relationship first and helps individuals and families take control of their own healthcare decisions, as many healthcare cost-sharing organizations do not restrict their members to a particular network of providers, and members retain ultimate responsibility for paying their medical expenses.

Although I have not had a chance to review the committee substitute for HB 573, I strongly support Dr. Oliverson's decision to redefine the term *healthcare sharing ministries* to *healthcare sharing organizations*, which recognizes the diverse nature of communities that offer healthcare cost sharing and guarantees an equitable regulatory environment regardless of beliefs.

This change is also in line with House Bill 1369, legislation sponsored by Rep. Jetton and supported by the Foundation, to recognize and regulate a diverse set of healthcare cost-sharing organizations and promote the free-market ideals of competition and innovation in healthcare sharing.

I am also very supportive of the proposed amendment to remove the provision that would have required that healthcare sharing organizations be founded before 1999 in order to operate in Texas.

Like most other states, Texas does not currently have this type of restrictive definition, and imposing one now would be an unnecessary, arbitrary, and anti-competitive barrier to entry for newer and innovative healthcare sharing organizations.

I look forward to continued conversations with Chairman Oliverson and Committee Members to find ways to promote healthcare cost sharing as a viable and attractive option for Texans to address their medical expenses and ensure that consumers are protected without disincentivizing innovation and competition through over-regulation of these free-market options. ★

ABOUT THE AUTHOR



David Balat is the director of the Right on Healthcare initiative at the Texas Public Policy Foundation. He has broad experience across the healthcare spectrum with expertise in healthcare finance. He is a former congressional candidate in Texas' 2nd Congressional District and a seasoned hospital executive with more than 20 years of healthcare industry leadership and executive management experience.

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