



THE TEXAS STATE CHAMBER

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*April 30, 2025*

*House Insurance Committee*

*Written Testimony in Opposition of Texas House Bill 3695*

Chairman Dean, Vice Chairman Vo, and Members of the Committee,

Thank you for the opportunity to submit written testimony on behalf of the Texas Association of Business (TAB). TAB is the Texas State Chamber representing businesses of all sizes across every industry, along with our chamber partners across the state. Our members, from small businesses to major corporations, rely on affordable healthcare benefits to attract and retain talent to drive Texas' continued economic success.

HB 3695 seeks to lower out-of-pocket costs for physical therapy (PT) by requiring PT copayments to match those for primary care physicians. While well-intentioned, this mandate would increase health care costs, restrict employer flexibility in benefit design, and reduce the variety of affordable health plan options available for Texas families. For these reasons, we must respectfully oppose HB 3695.

Physical therapy is an essential part of our health care system. Since the 2019 expansion of direct access to PT services in Texas, patients have benefited from improved access to care. TAB supports other efforts this session that further the expansion of direct access to patients. However, we oppose efforts to connect coverage levels to primary care physician rates that are not primary care.

Employers already have the option to add additional physical therapy coverage to their health plans and many do. Some employers prioritize low-cost physical therapy options while others may not. Mandating uniformity takes away that flexibility for employers and makes it harder for employers to tailor benefits that meet the unique needs of their workforce.

In a recent survey conducted with our members, the overwhelming majority opposed legislation that increases costs or restricts the ability to design customized benefits. Their message is clear: employers value flexibility and oppose cost-driving mandates that limit plan options.

On behalf of the Texas job creators across the state, we respectfully urge the committee to oppose HB 3695 and preserve the ability of employers to offer affordable, competitive, and customized healthcare benefits.

Thank you for your time and consideration.

Sincerely,

Faith Villarreal  
Government Relations, Texas Association of Business