

Office of Public Insurance Counsel

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Agency at a Glance

The Office of Public Insurance Counsel (OPIC) represents the interests of consumers as a class in insurance matters. The Legislature created OPIC in 1991 as an independent agency to advocate for consumers in rate, form, and rule proceedings primarily at the Texas Department of Insurance (TDI). To accomplish its mission, the Office of Public Insurance Counsel:

- reviews rate and policy form filings, and works with TDI and insurance companies to negotiate changes advantageous to consumers;
- participates in contested rate cases and industry-wide rate hearings before the State Office of Administrative Hearings, the Commissioner of Insurance, district court, and the court of appeals;
- advocates on behalf of consumers in rulemaking procedures at TDI; and
- provides information to consumers regarding insurance coverage and markets.

Summary

The Sunset Commission considered OPIC through a special purpose review, as a follow-up on the full Sunset review of the agency conducted in 2008. At that time, the Sunset Commission adopted and forwarded to the 81st Legislature recommendations on OPIC, but the agency's Sunset bill did not pass. Instead, the Legislature continued OPIC for two years in separate legislation, and focused the 2010 Sunset review on the appropriateness of the recommendations voted on and adopted by the Commission in 2008.

Based on this review, the Sunset Commission's previous recommendation to continue OPIC for 12 years continues to be appropriate for the Legislature's consideration, as summarized in the following material.

*The Sunset Commission's
2008 recommendation
to continue OPIC
remains appropriate.*

Issue 1

The State Has a Continuing Need for the Office of Public Insurance Counsel.

Recommendations

Change in Statute

1.1 Continue the Office of Public Insurance Counsel for 12 years.

This recommendation would continue OPIC as an independent agency for 12 years.

1.2 Apply the standard Sunset across-the-board requirement for the Office to develop a policy regarding alternative dispute resolution.

This recommendation would ensure that OPIC develops and implements a policy to encourage alternative procedures for dispute resolution, conforming to the extent possible to model guidelines by the State Office of Administrative Hearings. The standard language would be modified to exclude references to rulemaking, since OPIC does not have rulemaking authority.

The agency would also provide training as needed, and collect data concerning the effectiveness of these procedures. Because the recommendation only requires the agency to develop a policy for this alternative approach to solving problems, it would not require additional staffing or other expenses.

Fiscal Implication Summary

Neither of the recommendations on the Office of Public Insurance Counsel would have a fiscal impact to the State.