

By: Kolkhorst

S.B. No. 1040

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to health benefit plan coverage of a transplant of an organ  
3 that originated from or is transplanted in a country known to have  
4 participated in organ harvesting.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subtitle E, Title 8, Insurance Code, is amended  
7 by adding Chapter 1380 to read as follows:

8 CHAPTER 1380. HUMAN ORGAN TRANSPLANT

9 Sec. 1380.001. APPLICABILITY OF CHAPTER. (a) This chapter  
10 applies only to a health benefit plan that provides benefits for  
11 medical or surgical expenses incurred as a result of a health  
12 condition, accident, or sickness, including an individual, group,  
13 blanket, or franchise insurance policy or insurance agreement, a  
14 group hospital service contract, or an individual or group evidence  
15 of coverage or similar coverage document that is offered by:

16 (1) an insurance company;

17 (2) a group hospital service corporation operating  
18 under Chapter 842;

19 (3) a health maintenance organization operating under  
20 Chapter 843;

21 (4) an approved nonprofit health corporation that  
22 holds a certificate of authority under Chapter 844;

23 (5) a multiple employer welfare arrangement that holds  
24 a certificate of authority under Chapter 846;

- 1           (6) a stipulated premium company operating under  
2 Chapter 884;
- 3           (7) a fraternal benefit society operating under  
4 Chapter 885;
- 5           (8) a Lloyd's plan operating under Chapter 941; or  
6           (9) an exchange operating under Chapter 942.
- 7       (b) Notwithstanding any other law, this chapter applies to:
- 8           (1) a small employer health benefit plan subject to  
9 Chapter 1501, including coverage provided through a health group  
10 cooperative under Subchapter B of that chapter;
- 11          (2) a standard health benefit plan issued under  
12 Chapter 1507;
- 13          (3) a basic coverage plan under Chapter 1551;  
14          (4) a basic plan under Chapter 1575;  
15          (5) a primary care coverage plan under Chapter 1579;  
16          (6) a plan providing basic coverage under Chapter  
17 1601;
- 18          (7) health benefits provided by or through a church  
19 benefits board under Subchapter I, Chapter 22, Business  
20 Organizations Code;
- 21          (8) the state Medicaid program, including the Medicaid  
22 managed care program operated under Chapter 533, Government Code;
- 23          (9) the child health plan program under Chapter 62,  
24 Health and Safety Code;
- 25          (10) a regional or local health care program operated  
26 under Section 75.104, Health and Safety Code;
- 27          (11) a self-funded health benefit plan sponsored by a

1 professional employer organization under Chapter 91, Labor Code;

2 (12) county employee group health benefits provided  
3 under Chapter 157, Local Government Code; and

4 (13) health and accident coverage provided by a risk  
5 pool created under Chapter 172, Local Government Code.

6 Sec. 1380.002. COVERAGE PROHIBITED. (a) A health benefit  
7 plan issuer may not cover a human organ transplant if:

8 (1) the transplant operation is performed in China or  
9 another country known to have participated in organ harvesting, as  
10 designated by the commissioner of state health services; or

11 (2) the human organ to be transplanted was procured by  
12 a sale or donation originating in China or another country known to  
13 have participated in organ harvesting, as designated by the  
14 commissioner of state health services.

15 (b) The commissioner of state health services may designate  
16 additional countries who are known to have participated in organ  
17 harvesting and shall provide written notice to the commissioner,  
18 Teacher Retirement System of Texas, Employees Retirement System of  
19 Texas, and executive commissioner of the Health and Human Services  
20 Commission when the commissioner of state health services  
21 designates an additional country.

22 SECTION 2. If before implementing any provision of this Act  
23 a state agency determines that a waiver or authorization from a  
24 federal agency is necessary for implementation of that provision,  
25 the agency affected by the provision shall request the waiver or  
26 authorization and may delay implementing that provision until the  
27 waiver or authorization is granted.

1           SECTION 3. Chapter 1380, Insurance Code, as added by this  
2 Act, applies only to a health benefit plan delivered, issued for  
3 delivery, or renewed on or after January 1, 2024.

4           SECTION 4. This Act takes effect September 1, 2023.