

BILL ANALYSIS

H.B. 1800
By: Farabee
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current state law, insurers, group hospital service corporations, or health maintenance organizations are required to provide each enrollee residing in this state evidence of coverage under a health care plan. Current state law also requires a health maintenance organization to provide disclosure of information about health care plan terms in written format. Electronic transfer of an evidence of coverage and of disclosures would enable essential health care plan coverage information to be provided in a more efficient manner and may reduce administrative expenses. H.B. 1800 authorizes the electronic delivery of an evidence of coverage by agreement and allows for electronic disclosures of information about health care plan terms.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 1800 amends the Insurance Code to authorize the electronic delivery of an evidence of coverage by agreement between an insurer, group hospital service corporation, or health maintenance organization, and the subscriber, or the person entitled to receive the policy, contract, or evidence of coverage. The bill allows for electronic disclosures of information about health care plan terms by health maintenance organizations.

EFFECTIVE DATE

September 1, 2003.