

By: Brown of Kaufman

H.B. No. 1291

A BILL TO BE ENTITLED

AN ACT

relating to the provision of loss experience information to certain group health benefit plan policy and contract holders.

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

SECTION 1. Subchapter E, Chapter 21, Insurance Code, is amended by adding Article 21.67 to read as follows:

Art. 21.67. PROVISION OF LOSS HISTORY TO CERTAIN HEALTH BENEFIT PLAN POLICY OR CONTRACT HOLDERS

Sec. 1. DEFINITION. (a) In this article, "group health benefit plan" means a group plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including a group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or a group evidence of coverage or similar coverage document that is offered by:

(1) an insurance company;

(2) a group hospital service corporation operating under Chapter 842 of this code;

(3) a fraternal benefit society operating under Chapter 885 of this code;

(4) a stipulated premium insurance company operating under Chapter 884 of this code;

(5) an exchange operating under Chapter 942 of this code;

1 (6) a Lloyds' plan operating under Chapter 941 of this
2 code;

3 (7) a health maintenance organization operating under
4 Chapter 843 of this code;

5 (8) a multiple employer welfare arrangement that holds
6 a certificate of authority under Chapter 846 of this code; or

7 (9) an approved nonprofit health corporation that
8 holds a certificate of authority under Chapter 844 of this code.

9 (b) The term includes a small employer health benefit plan
10 written under Chapter 26 of this code.

11 (c) The term does not include:

12 (1) a plan that provides coverage:

13 (A) only for a specified disease or other limited
14 benefit;

15 (B) only for accidental death or dismemberment;

16 (C) for wages or payments in lieu of wages for a
17 period during which an employee is absent from work because of
18 sickness or injury;

19 (D) as a supplement to a liability insurance
20 policy;

21 (E) only for dental or vision care; or

22 (F) only for indemnity for hospital confinement;

23 (2) a Medicare supplemental policy as defined by
24 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss),
25 as amended;

26 (3) a workers' compensation insurance policy;

27 (4) medical payment insurance coverage provided under

1 a motor vehicle insurance policy;

2 (5) a credit insurance policy; or

3 (6) a long-term care policy, including a nursing home
4 fixed indemnity policy, unless the commissioner determines that the
5 policy provides benefit coverage so comprehensive that the policy
6 is a group health benefit plan as described by Subsection (a).

7 Sec. 2. PROVISION OF LOSS HISTORY. (a) Not later than the
8 90th day before the expiration date of a group health benefit plan
9 that covers a group of 10 or more individuals, the issuer of the
10 plan shall provide the policy or contract holder a written
11 statement, in the format prescribed by the commissioner by rule, of
12 the premiums and claims paid under the plan for each month before
13 the statement is prepared and any additional experience prescribed
14 by the commissioner by rule. The commissioner may not require for
15 the purposes of this article that an issuer of a group health
16 benefit plan provide nonpublic personal health information as
17 defined by Article 28B.01 of this code.

18 (b) Not later than the 60th day after the expiration date of
19 a group health benefit plan that covers a group of 10 or more
20 individuals, the issuer of the plan shall provide the policy or
21 contract holder a written statement of the information described by
22 Subsection (a) of this section for each month not included in the
23 statement required by Subsection (a).

24 SECTION 2. This Act applies only to a health benefit plan
25 policy or contract that expires on or after January 1, 2004. A
26 policy or contract that expires before that date is governed by the
27 law in effect immediately before the effective date of this Act, and

1 that law is continued in effect for that purpose.

2 SECTION 3. This Act takes effect September 1, 2003.