

By: Smithee

H.B. No. 2259

A BILL TO BE ENTITLED

AN ACT

relating to the policy terms for medical malpractice liability insurance written by the Texas Medical Liability Insurance Underwriting Association.

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

SECTION 1. Section 4(a)(2), Article 21.49-3, Insurance Code, is amended to read as follows:

(2) If the association determines that the applicant meets the underwriting standards of the association as prescribed in the plan of operation and there is no unpaid, uncontested premium, policyholder stabilization reserve fund charge, or assessment due from the applicant for prior insurance (as shown by the insured having failed to pay or make written objection to such charges within 30 days after billing) then the association, upon receipt of the premium and the policyholder stabilization reserve fund charge, or such portion thereof as is prescribed in the plan of operation, shall cause to be issued a policy of medical liability insurance for a term of one year or less, as determined by the association.

SECTION 2. This Act takes effect September 1, 2003, and applies only to an insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2004. A policy that is delivered, issued for delivery, or renewed before January 1, 2004, is governed by the law as it existed immediately before the

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1 effective date of this Act, and that law is continued in effect for  
2 that purpose.