

By: Burnam

H.B. No. 2262

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage for persons engaged in dangerous activities.

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

SECTION 1. Subchapter E, Chapter 21, Insurance Code, is amended by adding Article 21.53T to read as follows:

Art. 21.53T. HEALTH BENEFIT PLAN COVERAGE FOR PERSONS ENGAGED IN DANGEROUS ACTIVITIES

Sec. 1. APPLICABILITY OF ARTICLE. (a) This article applies only to a health benefit plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or 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 Lloyd's 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) This article applies to a small employer health benefit
10 plan written under Chapter 26 of this code.

11 (c) This article applies to a plan that provides coverage:

12 (1) only for accidental death or dismemberment;

13 (2) only for hospital expenses; or

14 (3) only for indemnity for hospital confinement.

15 (d) This article does not apply to:

16 (1) a plan that provides coverage:

17 (A) only for benefits for a specified disease or
18 for another limited benefit other than an accident policy;

19 (B) for wages or payments in lieu of wages for a
20 period during which an employee is absent from work because of
21 sickness or injury;

22 (C) as a supplement to a liability insurance
23 policy;

24 (D) for credit insurance; or

25 (E) only for dental or vision care;

26 (2) a Medicare supplemental policy as defined by
27 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss),

1 as amended;

2 (3) a workers' compensation insurance policy;

3 (4) medical payment insurance coverage provided under
4 a motor vehicle insurance policy; or

5 (5) a long-term care insurance policy, including a
6 nursing home fixed indemnity policy, unless the commissioner
7 determines that the policy provides benefit coverage so
8 comprehensive that the policy is a health benefit plan as described
9 by Subsection (a) of this section.

10 Sec. 2. EXCLUSION OF COVERAGE PROHIBITED. (a) This article
11 applies to a person engaged in any lawful activity that could be
12 considered dangerous.

13 (b) A health benefit plan may not:

14 (1) exclude a person engaged in the dangerous activity
15 from coverage for health benefits under the plan;

16 (2) consider the activity as a risk factor in
17 determining the person's premium payable under the plan; or

18 (3) exclude coverage for health benefits for injuries
19 sustained as a result of engaging in the activity.

20 (c) The commissioner shall adopt rules as necessary to
21 implement this section.

22 SECTION 2. This Act takes effect September 1, 2003, and
23 applies only to an insurance policy delivered, issued for delivery,
24 or renewed on or after January 1, 2004. A policy delivered, issued
25 for delivery, or renewed before January 1, 2004, is governed by the
26 law as it existed immediately before the effective date of this Act,
27 and that law is continued in effect for that purpose.