

By: Keffer of Dallas

H.B. No. 3107

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage for acute or chronic medical conditions.

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

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

Art. 21.53J. MAXIMUM LIFETIME BENEFITS FOR ACUTE OR CHRONIC MEDICAL CONDITIONS

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) a Lloyd's plan operating under Chapter 941 of this code;

1 (6) an exchange operating under Chapter 942 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 does not apply to:

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;

22 (F) only for hospital expenses; or

23 (G) only for indemnity for hospital confinement;

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

27 (3) a workers' compensation insurance policy;

1 (4) medical payment insurance coverage provided under
2 a motor vehicle insurance policy;

3 (5) a credit insurance policy; or

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

8 Sec. 2. MAXIMUM LIFETIME BENEFIT. A health benefit plan
9 that limits the maximum lifetime benefit applicable to an acute or
10 chronic medical condition of an individual covered under the plan
11 to a specified dollar amount may not limit the benefit to an amount
12 less than \$5 million.

13 Sec. 3. RULES. The commissioner may adopt rules as
14 necessary to implement this article. The rules may specify the
15 types of acute or chronic medical conditions to which the
16 restriction of Section 2 of this article applies.

17 SECTION 2. Section 11, Article 3.77, Insurance Code, is
18 amended by adding Subsection (f) to read as follows:

19 (f) Coverage provided by the pool is subject to Article
20 21.53J of this code.

21 SECTION 3. This Act takes effect September 1, 2003, and
22 applies only to a health benefit plan delivered, issued for
23 delivery, or renewed on or after January 1, 2004. A health benefit
24 plan delivered, issued for delivery, or renewed before January 1,
25 2004, is governed by the law as it existed immediately before the
26 effective date of this Act, and that law is continued in effect for
27 that purpose.