

By: Lucio

S.B. No. 563

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage for an enrollee with autism or a pervasive developmental disorder.

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

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

Art. 21.53X. INDIVIDUAL HEALTH BENEFIT PLAN COVERAGE FOR ENROLLEE WITH AUTISM OR PERVASIVE DEVELOPMENTAL DISORDER

Sec. 1. DEFINITION. In this article, "enrollee" means an individual who is enrolled in a health benefit plan, including a covered dependent.

Sec. 2. 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 insurance policy or insurance agreement, an individual 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;

1           (5) a reciprocal exchange operating under Chapter 942  
2 of this code;

3           (6) a Lloyd's plan operating under Chapter 941 of this  
4 code;

5           (7) a health maintenance organization operating under  
6 Chapter 843 of this code;

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

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

11           (b) Notwithstanding Section 172.014, Local Government Code,  
12 or any other law, this article applies to health and accident  
13 coverage provided by a risk pool created under Chapter 172, Local  
14 Government Code.

15           (c) 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 a plan that provides  
19 benefits for mental health or similar services;

20                   (B) only for accidental death or dismemberment;

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

24                   (D) as a supplement to a liability insurance  
25 policy;

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

27                   (F) only for indemnity for hospital confinement;

1           (2) a small employer health benefit plan written under  
2 Chapter 26 of this code;

3           (3) a Medicare supplemental policy as defined by  
4 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss),  
5 as amended;

6           (4) a workers' compensation insurance policy;

7           (5) medical payment insurance coverage provided under  
8 a motor vehicle insurance policy; or

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

14           Sec. 3. EXCLUSION OF COVERAGE AND DENIAL OF BENEFITS  
15 PROHIBITED. A health benefit plan may not exclude coverage or deny  
16 benefits otherwise available to an enrollee for treatment,  
17 equipment, or therapy based on the enrollee's having autism or a  
18 pervasive developmental disorder.

19           Sec. 4. RULES. The commissioner shall adopt rules as  
20 necessary to administer this article.

21           SECTION 2. Subdivision (1), Section 1, Article 3.51-14,  
22 Insurance Code, is amended to read as follows:

23           (1) "Serious mental illness" means the following  
24 psychiatric illnesses as defined by the American Psychiatric  
25 Association in the Diagnostic and Statistical Manual (DSM):

26                   (A) schizophrenia;

27                   (B) paranoid and other psychotic disorders;

- 1 (C) bipolar disorders (hypomanic, manic,  
2 depressive, and mixed);
- 3 (D) major depressive disorders (single episode  
4 or recurrent);
- 5 (E) schizo-affective disorders (bipolar or  
6 depressive);
- 7 (F) pervasive developmental disorders, including  
8 autism;
- 9 (G) obsessive-compulsive disorders; and
- 10 (H) depression in childhood and adolescence.

11 SECTION 3. Section 2, Article 3.51-14, Insurance Code, is  
12 amended to read as follows:

13 Sec. 2. SCOPE OF ARTICLE. (a) This article applies only to  
14 a group health benefit plan that provides benefits for medical or  
15 surgical expenses incurred as a result of a health condition,  
16 accident, or sickness, including:

17 (1) a group, blanket, or franchise insurance policy or  
18 insurance agreement, a group hospital service contract, or a group  
19 evidence of coverage that is offered by:

- 20 (A) an insurance company;
- 21 (B) a group hospital service corporation  
22 operating under Chapter 20 of this code;
- 23 (C) a health maintenance organization operating  
24 under the Texas Health Maintenance Organization Act (Chapter 20A,  
25 Vernon's Texas Insurance Code);
- 26 (D) a fraternal benefit society operating under  
27 Chapter 10 of this code; [~~or~~]

1 (E) a stipulated premium insurance company  
2 operating under Chapter 22 of this code;

3 (F) a reciprocal exchange operating under  
4 Chapter 942 of this code;

5 (G) a Lloyd's plan operating under Chapter 941 of  
6 this code; or

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

10 (2) to the extent permitted by the Employee Retirement  
11 Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), a  
12 group health benefit plan that is offered under:

13 (A) a multiple employer welfare arrangement as  
14 defined by Section 3, Employee Retirement Income Security Act of  
15 1974 (29 U.S.C. Section 1002); or

16 (B) another analogous benefit arrangement.

17 (b) This article does not apply to coverage under:

18 (1) ~~[a blanket accident and health insurance policy as~~  
19 ~~that term is defined under Section 2, Article 3.51-6, of this code,~~

20 ~~[(2)]~~ a short-term travel policy;

21 (2) ~~[(3)]~~ an accident-only policy;

22 (3) ~~[(4)]~~ a limited or specified-disease policy,  
23 other than a plan that provides benefits for mental health care or  
24 similar services;

25 (4) ~~[(5)]~~ with the exception of Section 1 of this  
26 article which shall apply, a plan offered under the Texas Employees  
27 Uniform Group Insurance Benefits Act (Article 3.50-2, Vernon's

1 Texas Insurance Code) or the Texas State College and University  
2 Employees Uniform Insurance Benefits Act (Article 3.50-3, Vernon's  
3 Texas Insurance Code);

4 (5) [~~(6)~~] a plan offered under or in accordance with  
5 Article 3.51-5A of this code; or

6 (6) [~~(7)~~] a medicare supplement policy, as that term  
7 is defined under Section 1(b)(3), Article 3.74, of this code.

8 SECTION 4. Subsection (a), Section 3, Article 3.51-14,  
9 Insurance Code, is amended to read as follows:

10 (a) Except as provided by Section 4 of this article, a group  
11 health benefit plan:

12 (1) must provide coverage, based on medical necessity,  
13 for the following treatment of serious mental illness in each  
14 calendar year:

15 (A) 45 days of inpatient treatment; and

16 (B) 60 visits for outpatient treatment,  
17 including group and individual outpatient treatment;

18 (2) may not include a lifetime limit on the number of  
19 days of inpatient treatment or the number of outpatient visits  
20 covered under the plan; ~~and~~

21 (3) must include equipment and therapy in the coverage  
22 of treatment of pervasive developmental disorder; and

23 (4) must include the same amount limits, deductibles,  
24 copayments, and coinsurance factors for serious mental illness as  
25 for physical illness.

26 SECTION 5. Article 3.51-14, Insurance Code, is amended by  
27 adding Section 6 to read as follows:

1        Sec. 6. RULES. The commissioner shall adopt rules as  
2 necessary to administer this article.

3        SECTION 6. This Act takes effect September 1, 2003, and  
4 applies only to a health benefit plan delivered, issued for  
5 delivery, or renewed on or after January 1, 2004. A health benefit  
6 plan delivered, issued for delivery, or renewed before January 1,  
7 2004, is governed by the law as it existed immediately before the  
8 effective date of this Act, and that law is continued in effect for  
9 that purpose.