

BILL ANALYSIS

C.S.H.B. 368
By: Farabee
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, many private insurance policies do not provide coverage for a child's mental illness that is comparable to the coverage provided for a physical illness. H.B. 368 requires certain private health benefit plans to provide a level of health care coverage for the mental health of a child.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Chapter 1355.001(1), Insurance Code, by adding anorexia nervosa and bulimia nervosa to the definition of serious mental illness.

SECTION 2. Amends Section 1355.007, Insurance Code, SMALL EMPLOYER COVERAGE by adding Subsection (b).

(b) Requires that regardless of whether a small employer accepts the coverage required by Subsection (a), an issuer of a group health benefit plan to a small employer must provide coverage for persons under the age of 19 for depression in childhood and adolescence, pervasive developmental disorders and anorexia nervosa and bulimia nervosa. The issuer must provide coverage required by Section 1355.004, Insurance Code.

SECTION 3. (a) Requires the Sunset Advisory Commission, on or before September 1, 2010, to conduct a study to determine the extent the health benefit plan coverage required by the change in law is being used by enrollees in health benefit plans and the impact of the required coverage on the cost of those health benefit plans.

(b) Requires the Sunset Advisory Commission to report its finding under this section to the legislature on or before January 1, 2011.

(c) Requires the Texas Department of Insurance and any other state agency to cooperate with the Sunset Advisory Commission as necessary to implement this section.

SECTION 4. Makes application of this Act prospective to January 1, 2006.

SECTION 6. Effective date: September 1, 2005.

EFFECTIVE DATE

September 1, 2005. The Act applies beginning with January 1, 2006.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute adds anorexia nervosa and bulimia nervosa to the definition of "serious mental illness" in Section 1355.001(1) of the Insurance Code. The substitute also requires that regardless of whether a small employer accepts the coverage required by Subsection (a), an

issuer of a group health benefit plan to a small employer must provide coverage for persons under the age of 19 for depression in childhood and adolescence, pervasive developmental disorders and anorexia nervosa and bulimia nervosa. The issuer must provide coverage required by Section 1355.004, Insurance Code.