

BILL ANALYSIS

Senate Research Center
79R1458 KCR-F

H.B. 949
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State Affairs
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Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, an insurer is not liable for treatment relating to injuries sustained as a result of the insured being intoxicated or under the influence of narcotics. Many patients admitted into emergency rooms are not tested for intoxication for fear that the insurance companies will then deny payment for the services rendered.

H.B. 949 requires any individual accident or health insurance policy that provides coverage for emergency or other medical, hospital, or surgical expenses to pay for treatment for injuries that are the result of the insured being intoxicated or under the influence of narcotics.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 2 (Section 1370.003, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1201.227, Insurance Code, as effective April 1, 2005, as follows:

Sec. 1201.227. POLICY PROVISION: INTOXICANTS AND NARCOTICS. (a) Provides Subsection (b) is an exception to this subsection.

(b) Prohibits an individual accident and health insurance policy from containing the provision described by Subsection (a) if the policy provides coverage for emergency or other medical, hospital, or surgical expenses incurred by an insured.

SECTION 2. Amends Subtitle E, Title 8, Insurance Code, as effective April 1, 2005, by adding Chapter 1370 to read as follows:

CHAPTER 1370. BENEFITS RELATING TO INJURIES RELATED TO INTOXICATION OR USE OF NARCOTICS

Sec. 1370.001. APPLICABILITY OF CHAPTER. (a) Provides that this chapter applies only to a health benefit plan that provides benefits for emergency or other medical, hospital, or surgical expenses incurred as a result of certain health conditions 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 a certain entities.

(b) Provides that this chapter applies to a small employer health benefit plan written under Subchapter B (Availability of Health Benefit Coverage Options), Chapter 1273, or Chapter 1501 (Health Insurance Portability and Availability).

(c) Provides that this chapter does not apply to certain health benefit plans that provides certain coverage.

Sec. 1370.002. EXCLUSION OF COVERAGE PROHIBITED. (a) Prohibits a health benefit plan from excluding coverage for any emergency or other medical, hospital, or surgical expenses incurred by an insured as a result of and related to an injury acquired while the insured is intoxicated or under the influence of any narcotic, regardless of

whether the intoxicant or narcotic is administered on the advice of a health care practitioner.

(b) Authorizes coverage required under this chapter to be subject to deductibles, copayments, coinsurance, or annual or maximum payment limits that are consistent with deductibles, copayments, coinsurance, or annual or maximum payment limits applicable to other similar coverage under the health benefit plan.

Sec. 1370.003. RULES. Requires the commissioner of insurance to adopt rules necessary to implement this chapter.

SECTION 3. Makes application of this Act prospective to January 1, 2006.

SECTION 4. Effective date: September 1, 2005.