

BILL ANALYSIS

H.B. 949
By: Eiland
Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

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 that are admitted into emergency rooms are not tested for intoxication for fear that the insurance companies will then deny payment for the services rendered.

HB 949 amends the Insurance Code to require 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

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Insurance in SECTION 2 (Section 1370.003 of the Insurance Code) of this bill.

ANALYSIS

Section 1: Amends Sec. 1201.227 of the Insurance Code adding subsection (b) which states that an individual accident and health insurance policy which provides coverage for emergency or other medical, hospital, or surgical expense may not contain the provision that the insurer is not liable for any loss that was the consequence of the insured being intoxicated or under the influence of narcotics

Section 2: Amends Subtitle E, Title 8 of the Insurance Code as effective April 1, 2005, by adding Chapter 1370 relating to injuries related to intoxication or use of narcotics. Details the applicability of the above provision to certain health benefit plans (provides a list) and certain small employee health benefit plans. Provides a list of exemptions. 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.

Provides that coverage under this Act may be subject to deductibles, co-payments, coinsurance, or annual or maximum payment limits that are consistent with deductibles, co-payments, coinsurance, or annual or maximum payment limits applicable to other similar coverage under the health benefit plan. Requires the Insurance Commissioner to adopt rules necessary for implementation.

Section 3: States that the act applies to health benefit plans that are issued or renewed on or after January 1, 2006.

Section 4: Effective date of Sept. 1, 2005.

EFFECTIVE DATE

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