

By: Hochberg

H.B. No. 619

A BILL TO BE ENTITLED

1 AN ACT

2 relating to prohibiting the refusal to insure an individual's  
3 eligible dependent child solely because the individual has been  
4 denied or is not enrolled under that policy; providing penalties.

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

6 SECTION 1. Subtitle A, Title 8, Insurance Code is amended by  
7 adding Chapter 1211 to read as follows:

8 Chapter 1211 REFUSAL TO INSURE AN INDIVIDUAL'S ELIGIBLE  
9 DEPENDENT CHILD SOLELY BECAUSE THE OTHERWISE ELIGIBLE INDIVIDUAL  
10 HAS BEEN DENIED OR IS NOT ENROLLED UNDER THAT POLICY PROHIBITED.

11 1211.001 DEFINITION OF DEPENDENT CHILD. In this chapter,  
12 "dependent child" means:

13 (1) unmarried child younger than 25 years of age,  
14 including:

15 (A) a full-time student younger than 25 years of  
16 age who is financially dependent on the parent;

17 (B) 18 years of age or older and is an individual  
18 for whom a person may be obligated to pay child support; or

19 (C) disabled and dependent on the parent  
20 regardless of the age of the child.

21 1211.002 APPLICABILITY OF CHAPTER. (a) This chapter applies  
22 to an individual health insurance policy that provides benefits for  
23 medical care under a hospital, medical or surgical policy.

24 (b) This chapter includes a plan that provides coverage

1 only:

2 (1) for a specified disease or for another limited  
3 benefit;

4 (2) for accidental death or dismemberment;

5 (3) for dental or vision care; or

6 (4) for hospital expenses.

7 (c) This chapter does not apply to a plan that provides  
8 coverage:

9 (1) for wages or payments in lieu of wages for a period  
10 during which an employee is absent from work because of sickness or  
11 injury;

12 (2) as a supplement to a liability insurance policy;

13 (3) for credit insurance;

14 (4) for a long term care insurance policy, including a  
15 nursing home fixed indemnity policy;

16 (5) only for indemnity for hospital confinement; or

17 (6) in accordance with Title XXI of the Social  
18 Security Act (42 U.S.C. Section 1397aa et seq.) including:

19 (A) a Medicare supplemental policy as defined by  
20 Section 1882 (g)(1), Social Security Act (42 U.S.C. Section  
21 1395ss), as amended;

22 (B) a worker's compensation insurance policy; or

23 (C) a medical payment insurance coverage  
24 provided under a motor vehicle insurance policy.

25 Sec. 1211.003. PROHIBITION. An issuer may not refuse to  
26 issue a policy covering an individual's otherwise eligible  
27 dependent child solely because that individual has been denied or

1 is not enrolled under that policy.

2 Sec. 1211.004. VIOLATION. A health benefit plan issuer who  
3 violates this chapter engages in unfair discrimination under  
4 Subchapter B, Chapter 544.

5 Section 2. The changes in laws made by this Act apply only  
6 to an insurance policy delivered, issued for delivery, or renewed  
7 on or after January 1, 2006. An insurance policy delivered, issued  
8 for delivery, or renewed before January 1, 2006 is governed by the  
9 law in effect immediately before that effective date of this Act and  
10 that law is continued in effect for that purpose.

11 Section 3. The Act takes effect September 1, 2005.