

By: Menendez

H.B. No. 765

Substitute the following for H.B. No. 765:

By: Oliveira

C.S.H.B. No. 765

A BILL TO BE ENTITLED

AN ACT

relating to certificate of insurance and notice of coverage requirements for certain group health insurance policies.

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

SECTION 1. Section 1251.201, Insurance Code, as effective April 1, 2005, is amended to read as follows:

Sec. 1251.201. CERTIFICATE OF INSURANCE; NOTICE OF SEPARATE AVAILABLE COVERAGE. (a) An insurer issuing a group policy under this chapter shall provide to the policyholder for delivery to each employee or member of the insured group:

(1) a certificate of insurance that:

(A) [~~(1)~~] summarizes the essential features of the insurance coverage of the employee or member, including the annual deductibles, annual and lifetime policy limits, and maximum out-of-pocket expenses under the policy; and

(B) [~~(2)~~] states the person to whom benefits are payable; and

(2) a notice that informs the employee or member of the availability of and premiums for a rider or separate insurance policy that would provide coverage in addition to the coverage provided under the policy.

(b) If dependents are included in the coverage, an insurer is not required to provide more than one certificate or notice for each family unit.

1           SECTION 2. The change in law made by this Act applies only  
2 to an insurance policy that is delivered, issued for delivery, or  
3 renewed on or after January 1, 2006. An insurance policy that is  
4 delivered, issued for delivery, or renewed before January 1, 2006,  
5 is covered by the law in effect at the time the policy was  
6 delivered, issued for delivery, or renewed, and that law is  
7 continued in effect for that purpose.

8           SECTION 3. This Act takes effect September 1, 2005.