

By: Eiland

H.B. No. 949

A BILL TO BE ENTITLED

AN ACT

relating to certain limitations in health benefit plans and health insurance policies.

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

SECTION 1. Section 1201.227, Insurance Code, as effective April 1, 2005, is amended to read as follows:

Sec. 1201.227. POLICY PROVISION: INTOXICANTS AND NARCOTICS. (a) Except as provided by Subsection (b), an [An] individual accident and health insurance policy must contain the following provision if the policy addresses the subject matter of the provision:

"Intoxicants and Narcotics: The insurer is not liable for any loss sustained or contracted in consequence of the insured's being intoxicated or under the influence of any narcotic unless the narcotic is administered on the advice of a physician."

(b) An individual accident and health insurance policy may not contain 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. Subtitle E, Title 8, Insurance Code, as effective April 1, 2005, is amended by adding Chapter 1370 to read as follows:

1 CHAPTER 1370. BENEFITS RELATING TO INJURIES RELATED TO

2 INTOXICATION OR USE OF NARCOTICS

3 Sec. 1370.001. APPLICABILITY OF CHAPTER. (a) This chapter
4 applies only to a health benefit plan that provides benefits for
5 emergency or other medical, hospital, or surgical expenses incurred
6 as a result of a health condition, accident, or sickness, including
7 an individual, group, blanket, or franchise insurance policy or
8 insurance agreement, a group hospital service contract, or an
9 individual or group evidence of coverage or similar coverage
10 document that is offered by:

11 (1) an insurance company;

12 (2) a group hospital service corporation operating
13 under Chapter 842 of this code;

14 (3) a health maintenance organization operating under
15 Chapter 843 of this code;

16 (4) an approved nonprofit health corporation that
17 holds a certificate of authority under Chapter 844 of this code;

18 (5) a multiple employer welfare arrangement that holds
19 a certificate of authority under Chapter 846 of this code;

20 (6) a stipulated premium insurance company operating
21 under Chapter 884 of this code;

22 (7) a fraternal benefit society operating under
23 Chapter 885 of this code;

24 (8) a Lloyd's plan operating under Chapter 941 of this
25 code; or

26 (9) an exchange operating under Chapter 942 of this
27 code.

1 (b) This chapter applies to a small employer health benefit
2 plan written under Subchapter B, Chapter 1273, or Chapter 1501.

3 (c) This chapter does not apply to:

4 (1) a health benefit plan that provides coverage:

5 (A) only for benefits for a specified disease or
6 for another limited benefit other than an accident policy;

7 (B) only for accidental death or dismemberment;

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

11 (D) as a supplement to a liability insurance
12 policy;

13 (E) for credit insurance; or

14 (F) only for dental or vision care;

15 (2) a Medicare supplemental policy as defined by
16 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss),
17 as amended;

18 (3) a workers' compensation insurance policy;

19 (4) medical payment insurance coverage provided under
20 an automobile insurance policy; or

21 (5) a long-term care insurance policy, including a
22 nursing home fixed indemnity policy, unless the commissioner
23 determines that the policy provides benefit coverage so
24 comprehensive that the policy is a health benefit plan as described
25 by Subsection (a) of this section.

26 Sec. 1370.002. EXCLUSION OF COVERAGE PROHIBITED. (a) A
27 health benefit plan may not exclude coverage for any emergency or

1 other medical, hospital, or surgical expenses incurred by an
2 insured as a result of and related to an injury acquired while the
3 insured is intoxicated or under the influence of any narcotic,
4 regardless of whether the intoxicant or narcotic is administered on
5 the advice of a health care practitioner.

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

11 Sec. 1370.003. RULES. The commissioner shall adopt rules
12 necessary to implement this chapter.

13 SECTION 3. The change in law made by this Act applies only
14 to a health benefit plan that is delivered, issued for delivery, or
15 renewed on or after January 1, 2006. A health benefit plan that is
16 delivered, issued for delivery, or renewed before January 1, 2006,
17 is governed by the law in effect immediately before the effective
18 date of this Act, and that law is continued in effect for that
19 purpose.

20 SECTION 4. This Act takes effect September 1, 2005.