

By: Taylor

H.B. No. 2284

A BILL TO BE ENTITLED

AN ACT

relating to implementation of a study concerning health insurance and medical professional liability insurance issues affecting this state.

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

SECTION 1. (a) The Texas Department of Insurance shall conduct a study analyzing the historical and potential effects of the following factors on the cost of health insurance premiums in this state:

(1) catastrophic claims filed by an insured and paid by an insurer;

(2) reinsurance of certain risks by insurers who engage in the business of health insurance in this state; and

(3) civil causes of action against health care providers.

(b) The study conducted under Subsection (a) must include an assessment of:

(1) the effect, if any, that a claim exceeding \$50,000 paid by an insurer under a health insurance policy, certificate of coverage, or other similar document has on the premiums paid by other insureds or enrollees;

(2) the effect, if any, that mandatory reinsurance of all claims exceeding \$50,000 may have on health insurance premiums in this state;

1 (3) the feasibility of establishing a mandatory
2 reinsurance program for claims described by Subdivision (2);

3 (4) the effect, if any, that establishing statewide
4 best practice standards for health care providers may have on
5 premiums for medical professional liability insurance and health
6 insurance;

7 (5) the feasibility of establishing and enforcing
8 statewide best practice standards for health care providers;

9 (6) the connection, if any, between premiums paid for
10 health insurance and premiums paid for medical professional
11 liability insurance; and

12 (7) the effect, if any, that the use of deductible
13 arrangements other than application of an annual deductible may
14 have on premiums for health insurance in this state.

15 (c) In conducting the study under Subsection (a), the Texas
16 Department of Insurance may cooperate as necessary with any
17 appropriate state agency.

18 (d) The Texas Department of Insurance shall complete the
19 study conducted under Subsection (a) not later than September 1,
20 2006.

21 SECTION 2. Not later than September 1, 2006, the Texas
22 Department of Insurance shall submit a written report to the
23 governor, the lieutenant governor, the speaker of the house, and
24 the chair of the house and senate legislative committees that have
25 primary jurisdiction over insurance matters. The report shall:

26 (1) summarize the findings of the study; and

27 (2) propose any legislation necessary to implement a

1 program or address an issue included in the study.

2 SECTION 3. This Act expires September 1, 2007.

3 SECTION 4. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2005.