

By: Hochberg

H.B. No. 2810

A BILL TO BE ENTITLED

AN ACT

relating to certain inquiries relating to an applicant for individual health benefit plan coverage.

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

SECTION 1. Chapter 544, Insurance Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. PREVIOUS DENIAL OF HEALTH BENEFIT PLAN COVERAGE

Sec. 544.301. DEFINITION. In this subchapter, "individual health benefit plan" means:

(1) an individual accident and health insurance policy to which Chapter 1201 applies; or

(2) individual health maintenance organization coverage.

Sec. 544.302. LIMITATION ON CERTAIN INQUIRIES. A health benefit plan issuer may ask an individual who is an applicant for an individual health benefit plan or any other person or entity whether the applicant has previously been denied health benefit plan coverage only for the purpose of determining whether to ask for other information relating to a factor used by the insurer in underwriting the coverage. The insurer may not consider a determination that the applicant has or has not previously been denied health benefit plan coverage in underwriting the coverage for which the applicant has applied.

Sec. 544.303. VIOLATION OF SUBCHAPTER; UNFAIR

1 DISCRIMINATION. A health benefit plan issuer who violates this  
2 subchapter engages in unfair discrimination under Subchapter B.

3 SECTION 2. The change in law made by this Act applies only  
4 to an application for health benefit plan coverage made on or after  
5 January 1, 2006. An application made before January 1, 2006, is  
6 governed by the law in effect immediately before the effective date  
7 of this Act, and that law is continued in effect for that purpose.

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