

By: Farabee

H.B. No. 3087

A BILL TO BE ENTITLED

AN ACT

relating to changes in premiums applicable to individual accident and health insurance policies.

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

SECTION 1. Chapter 1201, Insurance Code, as effective April 1, 2005, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. CHANGES IN PREMIUM

Sec. 1201.351. CERTAIN CHANGES IN PREMIUM MADE BY CLASS PROHIBITED. (a) An insurer, in making changes in premiums for individual accident and health insurance policies based on the class to which the policies are assigned by the insurer, may not use a policy's date of issuance in assigning an individual accident and health insurance policy to a particular class.

(b) This section applies notwithstanding Section 884.309, Section 884.352, or any other analogous law.

SECTION 2. This Act applies only to an individual accident and health insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2006. A policy that is delivered, issued for delivery, or renewed before January 1, 2006, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for this purpose.

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