2	relating to administration of certain health benefit plans.
3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
4	SECTION 1. Subchapter A, Chapter 1301, Insurance Code, is
5	amended by adding Section 1301.0061 to read as follows:
6	Sec. 1301.0061. TERMS OF ENROLLEE ELIGIBILITY. A contract
7	between an insurer and a group policyholder under a preferred
8	provider benefit plan must provide that:
9	(1) in addition to any other premiums for which the
10	group policyholder is liable, the group policyholder is liable for
11	an individual insured's premiums from the time the individual is no
12	longer part of the group eligible for coverage under the policy
13	until the end of the month in which the policyholder notifies the
14	insurer that the individual is no longer part of the group eligible
15	for coverage under the policy; and
16	(2) the individual remains covered under the policy
17	until the end of that period.
18	SECTION 2. Subchapter F, Chapter 843, Insurance Code, is
19	amended by adding Section 843.210 to read as follows:
20	Sec. 843.210. TERMS OF ENROLLEE ELIGIBILITY. A contract
21	between a health maintenance organization and a group contract
22	holder must provide that:
23	(1) in addition to any other premiums for which the
24	group contract holder is liable, the group contract holder is

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- 1 liable for an enrollee's premiums from the time the enrollee is no
- 2 longer part of the group eligible for coverage under the contract
- 3 until the end of the month in which the contract holder notifies the
- 4 health maintenance organization that the enrollee is no longer part
- of the group eligible for coverage by the contract; and
- 6 (2) the enrollee remains covered by the contract until 7 the end of that period.
- 8 SECTION 3. Section 843.347, Insurance Code, is amended by adding Subsections (h) and (i) to read as follows:
- (h) A health maintenance organization providing routine
  vision services as a single health care service plan or providing
  dental health care services as a single health care service plan is
  not required to comply with Subsection (c) with respect to those
  services. For purposes of this subsection, "routine vision
  services" means a routine annual or biennial eye examination to
- 16 <u>determine ocular health and refractive conditions that may include</u>
- 17 provision of glasses or contact lenses.
- 18 <u>(i) A health maintenance organization described by</u>
  19 Subsection (h) shall:
- (1) have appropriate personnel reasonably available
- 21 at a toll-free telephone number to provide a verification under
- 22 this section between 8 a.m. and 5 p.m. central time Monday through
- 23 Friday on each day that is not a legal holiday;
- (2) have a telephone system capable of accepting or
- 25 recording incoming phone calls for verifications after 5 p.m.
- 26 Monday through Friday and all day on Saturday, Sunday, and legal
- 27 holidays; and

- 1 (3) respond to calls accepted or recorded on the
  2 telephone system described by Subdivision (2) not later than the
  3 next business day after the date the call is received.
- SECTION 4. Section 843.348, Insurance Code, is amended by adding Subsections (i) and (j) to read as follows:
- (i) A health maintenance organization providing routine 6 7 vision services as a single health care service plan or providing dental health care services as a single health care service plan is 8 not required to comply with Subsection (f) with respect to those 9 services. For purposes of this subsection, "routine vision 10 services" means a routine annual or biennial eye examination to 11 determine ocular health and refractive conditions that may include 12 13 provision of glasses or contact lenses.
- 14 <u>(j) A health maintenance organization described by</u>
  15 Subsection (i) shall:
- (1) have appropriate personnel reasonably available
  at a toll-free telephone number to respond to requests for
  preauthorization under this section between 8 a.m. and 5 p.m.
  central time Monday through Friday on each day that is not a legal
  holiday;
- 21 (2) have a telephone system capable of accepting or 22 recording incoming phone calls for preauthorizations after 5 p.m. 23 Monday through Friday and all day on Saturday, Sunday, and legal 24 holidays; and
- 25 (3) respond to calls accepted or recorded on the
  26 telephone system described by Subdivision (2) not later than the
  27 next business day after the date the call is received.

SECTION 5. Sections 843.210 and 1301.0061, Insurance Code, as added by this Act, apply only to a contract between an insurer or health maintenance organization and a group policy or contract holder that is entered into or renewed on or after January 1, 2006. A contract entered into or renewed before January 1, 2006, is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 6. (a) With respect to a contract entered into between an insurer or health maintenance organization and a physician or health care provider, and payment for medical care or health care services under the contract, Subsections (h) and (i), Section 843.347, Insurance Code, and Subsections (i) and (j), Section 843.348, Insurance Code, as added by this Act, apply only to a contract entered into or renewed on or after the 60th day after the effective date of this Act and payment for services under the contract. Such a contract entered into before the 60th day after the effective date of this Act and not renewed or that was last renewed before the 60th day after the effective date of this Act, and payment for medical care or health care services under the contract, are governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(b) With respect to the payment for medical care or health care services provided, but not provided under a contract to which Subsection (a) of this section applies, Subsections (h) and (i), Section 843.347, Insurance Code, and Subsections (i) and (j), Section 843.348, Insurance Code, as added by this Act, apply only to

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the payment for those services provided on or after the 60th day after the effective date of this Act. Payment for those services provided before the 60th day after the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 7. This Act takes effect September 1, 2005.

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Speaker of the House

I hereby certify that S.B. No. 51 passed the Senate on April 14, 2005, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 27, 2005, by the following vote: Yeas 29, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 51 passed the House, with amendment, on May 25, 2005, by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor