

By: Nelson

S.B. No. 51

Substitute the following for S.B. No. 51:

By: Griggs

C.S.S.B. No. 51

A BILL TO BE ENTITLED

AN ACT

relating to administration of certain health benefit plans.

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

SECTION 1. Subchapter A, Chapter 1301, Insurance Code, is amended by adding Section 1301.0061 to read as follows:

Sec. 1301.0061. TERMS OF ENROLLEE ELIGIBILITY. A contract between an insurer and a group policyholder under a preferred provider benefit plan must provide that:

(1) in addition to any other premiums for which the group policyholder is liable, the group policyholder is liable for an individual insured's premiums from the time the individual is no longer part of the group eligible for coverage under the policy until the end of the month in which the policyholder notifies the insurer that the individual is no longer part of the group eligible for coverage under the policy; and

(2) the individual remains covered under the policy until the end of that period.

SECTION 2. Subchapter F, Chapter 843, Insurance Code, is amended by adding Section 843.210 to read as follows:

Sec. 843.210. TERMS OF ENROLLEE ELIGIBILITY. A contract between a health maintenance organization and a group contract holder must provide that:

(1) in addition to any other premiums for which the group contract holder is liable, the group contract holder is

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  
5 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  
9 adding Subsections (h) and (i) to read as follows:

10 (h) A health maintenance organization providing routine  
11 vision services as a single health care service plan or providing  
12 dental health care services as a single health care service plan is  
13 not required to comply with Subsection (c) with respect to those  
14 services. For purposes of this subsection, "routine vision  
15 services" means a routine annual or biennial eye examination to  
16 determine ocular health and refractive conditions that may include  
17 provision of glasses or contact lenses.

18 (i) A health maintenance organization described by  
19 Subsection (h) shall:

20 (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;

24 (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.

4           SECTION 4. Section 843.348, Insurance Code, is amended by  
5 adding Subsections (i) and (j) to read as follows:

6           (i) A health maintenance organization providing routine  
7 vision services as a single health care service plan or providing  
8 dental health care services as a single health care service plan is  
9 not required to comply with Subsection (f) with respect to those  
10 services. For purposes of this subsection, "routine vision  
11 services" means a routine annual or biennial eye examination to  
12 determine ocular health and refractive conditions that may include  
13 provision of glasses or contact lenses.

14           (j) A health maintenance organization described by  
15 Subsection (i) shall:

16           (1) have appropriate personnel reasonably available  
17 at a toll-free telephone number to respond to requests for  
18 preauthorization under this section between 8 a.m. and 5 p.m.  
19 central time Monday through Friday on each day that is not a legal  
20 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.

1           SECTION 5. Sections 843.210 and 1301.0061, Insurance Code,  
2 as added by this Act, apply only to a contract between an insurer or  
3 health maintenance organization and a group policy or contract  
4 holder that is entered into or renewed on or after January 1, 2006.  
5 A contract entered into or renewed 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 6. (a) With respect to a contract entered into  
9 between an insurer or health maintenance organization and a  
10 physician or health care provider, and payment for medical care or  
11 health care services under the contract, Sections 843.347(h) and  
12 (i) and 843.348(i) and (j), Insurance Code, as added by this Act,  
13 apply only to a contract entered into or renewed on or after the  
14 60th day after the effective date of this Act and payment for  
15 services under the contract. Such a contract entered into before  
16 the 60th day after the effective date of this Act and not renewed or  
17 that was last renewed before the 60th day after the effective date  
18 of this Act, and payment for medical care or health care services  
19 under the contract, are governed by the law in effect immediately  
20 before the effective date of this Act, and that law is continued in  
21 effect for that purpose.

22           (b) With respect to the payment for medical care or health  
23 care services provided, but not provided under a contract to which  
24 Subsection (a) of this section applies, Sections 843.347(h) and (i)  
25 and 843.348(i) and (j), Insurance Code, as added by this Act, apply  
26 only to the payment for those services provided on or after the 60th  
27 day after the effective date of this Act. Payment for those services

1 provided before the 60th day after the effective date of this Act is  
2 governed by the law in effect immediately before the effective date  
3 of this Act, and that law is continued in effect for that purpose.

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