

## BILL ANALYSIS

C.S.H.B. 1438

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Insurance

Committee Report (Substituted)

### BACKGROUND AND PURPOSE

C.S.H.B. 1438 amends the Insurance Code to include health benefit plan coverage for certain tests for the early detection of cardiovascular disease. The bill provides coverage for men between the ages of 45 and 75 and women between 55 and 75 who are diabetic or are at intermediate or higher risk of a heart attack according to their Framingham Risk Score. The coverage provides for either computed tomography (CT) scanning measuring coronary artery calcification or ultrasonography measuring carotid intima-media thickness and plaque once every five years and covers up to \$200 per test.

### RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Commissioner of Insurance in SECTION 1 (Section 1376.003 of the Texas Insurance Code) of this bill.

### ANALYSIS

C.S.H.B. 1438 in SECTION 1 amends Subtitle E, Title 8 of the Texas Insurance Code, to add Chapter 1376, relating to certain tests for the early detection of cardiovascular disease.

This chapter would apply to a health benefit plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including the following: an individual, group, blanket or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage that is offered by an insurance company, a group hospital service corporation operating under Chapter 842, a fraternal benefit society operating Chapter 885, a Lloyd's plan operating under Chapter 941, a stipulated premium company operating under Chapter 884, or a health maintenance organization operating under Chapter 843; (B) to the extent permitted by the Employee Retirement Income Security Act of 1974, a health benefit plan that is offered by a multiple employer welfare arrangement as defined by Section 3 of that Act or another analogous benefit arrangement; (C) a small employer health benefit plan written under Chapter 1501; (D) a Medicare supplemental policy as defined by Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss); is offered by an approved nonprofit health corporation operating under Chapter 844 or provides health and accident coverage through a risk pool created under Chapter 172, Local Government Code, notwithstanding Section 172.014, Local Government Code. Notwithstanding any provision in Chapter 1601 or any other law, this chapter applies to the basic coverage under Chapter 1601.

Section 1376.002 of C.S.H.B. 1438 list the exceptions. This chapter does not apply to a plan that provides coverage only for a specified disease or other limited benefit, only for accidental death or dismemberment, for wages or payments in lieu of wages for a period during which an employee is absent from work because of sickness or injury, as a supplement to a liability insurance policy, or only for indemnity for hospital confinement. This chapter does not apply to a workers' compensation insurance policy, medical payment insurance coverage provided under a motor vehicle insurance policy, or a long-term care policy, including a nursing home fixed indemnity policy, unless the commissioner determines that the policy provides benefit coverage so comprehensive that the policy is a health benefit plan as described by Section 1376.001.

C.S.H.B. 1438 in SECTION 1 Section 1376.003 discusses the minimum coverage required and states that a health benefit plan that provides coverage for screening medical procedures must provide the minimum coverage required by this section to each covered individual who is a male older than 45 years of age and younger than 76 years of age or a female older than 55 years of age and younger than 76 years of age and who is diabetic or has a risk of developing coronary heart disease, based on a score derived using the Framingham Heart Study coronary prediction algorithm, that is intermediate or higher. The minimum coverage required to be provided under

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this section is coverage of up to \$200 for one of the following noninvasive screening tests for atherosclerosis and abnormal artery structure and function every five years, performed by a laboratory that is certified by a national organization recognized by the commissioner by rule for the purposes of this section: computed tomography (CT) scanning measuring coronary artery calcification; or ultrasonography measuring carotid intima-media thickness and plaque.

SECTION 2 states the change in law by this Act applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2008. A health benefit plan delivered, issued for delivery, or renewed before January 1, 2008, 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 3 states that this Act takes effect September 1, 2007.

### **EFFECTIVE DATE**

September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 1438 adds "a standard health benefit plan issued under Chapter 1507" to the original house bill in Section 1376.001.

Also, C.S.H.B. 1438 deletes and amends some of the language found in Subsection (b) in Section 1376.001. Whereas the original house bill stated that " Notwithstanding any provision in Chapter 1551, 1575, 1579, or 1601 or any other law, this chapter applies to:(1) a basic coverage plan under Chapter 1551; (2) a basic plan under Chapter 1575; (3) a primary care coverage plan under Chapter 1579; and (4) basic coverage under Chapter 1601" while the substitute merely states "Notwithstanding any provision in Chapter 1601 or any other law, this chapter applies to the basic coverage under Chapter 1601".