

BILL ANALYSIS

Senate Research Center

H.B. 2252
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current health plans provide members with access to "health and wellness" benefits to improve or maintain the member's health. Examples of such benefits include nurse hotlines, online health assessment tools, and personal electronic medical records, among others. However, the rebate prohibition under the Insurance Code prohibits health plans from providing information about available health and wellness benefits in advertisements or on the health plan's website.

Additionally, current law authorizes carriers to offer financial incentives, such as premium discounts or rebates, to encourage or reward behavior under health promotion programs. Such programs are part of the strategy for managing employers' health care costs, and may be beneficial if applied to the strategy for managing individual health care costs.

H.B. 2252 authorizes health plans to disclose health and wellness benefits to the public. This bill also authorizes individual health plans to offer financial incentives to encourage or reward behavior under health promotion programs.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 541.058, Insurance Code, as follows:

Sec. 541.058. CERTAIN PRACTICES NOT CONSIDERED DISCRIMINATION OR INDUCEMENT. (a) Defines "health-related services" and "health-related information."

(b) Provides that it is not a rebate or discrimination prohibited by Section 541.056(a) (relating to certain prohibited rebates or inducements) or 541.057 (Unfair Discrimination in Life Insurance or Annuity Contracts) under certain circumstances, including in connection with certain accident and health insurance policies or with certain health maintenance organizations, to provide additional health-related services or information, or to disclose the availability of such services or information to certain persons.

SECTION 2. Amends Subchapter A, Chapter 1201, Insurance Code, by adding Section 1201.013, as follows:

Sec. 1201.013. PROGRAMS PROMOTING DISEASE PREVENTION, WELLNESS, AND HEALTH. (a) Authorizes an insurer issuing an accident and health insurance policy to establish premium discounts, rebates, or a reduction in otherwise applicable copayments, coinsurance, or deductibles, or any combination of these incentives, for an insured who participates in programs promoting disease prevention, wellness, and health.

(b) Provides that a discount, rebate, or reduction established under this section does not violate Section 541.056(a),

SECTION 3. Amends Section 1501.107(a), Insurance Code, to authorize a small or large employer health benefit plan issuer to establish premium discounts, rebates, or a reduction in

otherwise applicable copayments, coinsurance, or deductibles, or any combination of these incentives, in return for participation in, rather than adherence to, programs promoting disease prevention, wellness, and health.

SECTION 4. Effective date: September 1, 2007.