

BILL ANALYSIS

H.B. 2252
By: Taylor
Insurance

Committee Report (Unamended)

BACKGROUND AND PURPOSE

Health plans today provide members with access to “health and wellness” benefits to improve or maintain the member’s health. Examples include nurse hotlines, online health assessment tools, personal electronic medical records, smoking cessation programs and access to discounts on health related services and supplies, such as health club memberships and vitamins.

Current law prohibits health plans from providing information about available health and wellness benefits in advertisements or on the health plan’s website due to the insurance code rebate prohibition. Texas Insurance Code Section 541.056, entitled “Prohibited Rebates and Inducements,” prohibits offering any incentives, directly or indirectly, for the purchase of a life or accident and health insurance contract. Texas Insurance Code 541.058 lists exceptions to the rebate prohibition contained in Section 541.056.

H.B. 2252 adds an exception to the rebate prohibition for health related services and information provided by a health plan.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2252 relates to disclosure of information about health care-related services or access to health care information provided to persons covered by health benefit plans.

The bill seeks to amend Section 541.058 of the Texas Insurance Code. The bill first discusses certain practices not considered discrimination or inducement and states that in this section: "Health-related services" means services that are available in connection with an accident and health insurance policy or certificate or an evidence of coverage and that are directed to an individual's health improvement or maintenance. "Health-related information" means that information that is directed to an individual's health improvement or maintenance or to costs associated with particular options available in connection with an accident and health insurance policy or certificate or an evidence of coverage. Section (b) now begins by stating that "It is not a rebate or discrimination prohibited by Section 541.056 (a) or 541.057:." Also, the "or" has been deleted from Subsection (3).

Subsection (5) and (6) are added to Section 541.058. They state that in connection with an accident and health insurance policy, to provide to policy or certificate holders, in addition to benefits under the terms of the insurance contract, health-related services or health-related information, or to disclose the availability of those additional services and information to prospective policy or certificate holders; or in connection with a health maintenance organization evidence of coverage, to provide to enrollees, in addition to benefits under the evidence of coverage, health-related services or health-related information, or to disclose the availability of those additional services and information to prospective enrollees or contract holders.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.