

By: Woolley, Hartnett, et al.

H.B. No. 522

Substitute the following for H.B. No. 522:

By: Woolley

C.S.H.B. No. 522

A BILL TO BE ENTITLED

AN ACT

relating to adoption and operation of requirements regarding health benefit plan identification cards.

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

SECTION 1. Subtitle A, Title 8, Insurance Code, is amended by adding Chapter 1215 to read as follows:

CHAPTER 1215. HEALTH BENEFIT PLAN IDENTIFICATION CARDS

Sec. 1215.001. DEFINITION. In this chapter, "enrollee" means an individual who is insured by or enrolled in a health benefit plan.

Sec. 1215.002. APPLICABILITY OF CHAPTER. This chapter applies only 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 an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is offered by:

(1) an insurance company;

(2) a group hospital service corporation operating under Chapter 842;

(3) a fraternal benefit society operating under Chapter 885;

(4) a stipulated premium insurance company operating under Chapter 884;

1           (5) a reciprocal exchange operating under Chapter 942;

2           (6) a health maintenance organization operating under  
3 Chapter 843;

4           (7) a multiple employer welfare arrangement that holds  
5 a certificate of authority under Chapter 846; or

6           (8) an approved nonprofit health corporation that  
7 holds a certificate of authority under Chapter 844.

8           Sec. 1215.003. IMPLEMENTATION OF IDENTIFICATION CARD  
9 REQUIREMENTS. (a) The department shall establish and implement  
10 requirements for identification cards issued to enrollees in  
11 conjunction with health benefit plans.

12           (b) The commissioner shall designate a county in this state  
13 with a population of at least three million for initial  
14 participation in the identification card requirements program. Not  
15 later than September 1, 2008, the department shall implement the  
16 program in the county designated by the commissioner.

17           (c) Not later than September 1, 2010, the department shall  
18 implement the requirements on a statewide basis.

19           Sec. 1215.004. IDENTIFICATION CARD REQUIREMENTS. (a) The  
20 commissioner shall require the issuer of a health benefit plan that  
21 is offered in a county in which the identification card  
22 requirements are implemented to issue an identification card that  
23 complies with the requirements of this section to each enrollee in  
24 the plan. The card must include:

25           (1) the name of the issuer of the health benefit plan;

26           (2) the name of the administrator of the health  
27 benefit plan, if any;

1           (3) the name of the policyholder or group contract  
2 holder;

3           (4) the number of the policy, contract, or evidence of  
4 insurance;

5           (5) a telephone number or electronic address for  
6 authorizations; and

7           (6) the name of the payor under the health benefit  
8 plan.

9           (b) In addition to the information required under  
10 Subsection (a), the commissioner, by rule, shall require the use of  
11 technology as appropriate to ensure that the card may be used to  
12 provide accurate and current information, with proper protection of  
13 the security of the information, to each enrollee regarding:

14               (1) deductibles;

15               (2) the allowable or usual and customary amounts paid  
16 by the plan for out-of-network care;

17               (3) participation in the plan's network by a physician  
18 or health care provider;

19               (4) any financial responsibility on the part of the  
20 insured or enrollee for services provided through the plan;

21               (5) whether physicians and other health care providers  
22 participating in the plan's network are accepting new patients; and

23               (6) the availability of physicians and other health  
24 care providers participating in the plan's network at hospitals  
25 that participate in that network.

26           (c) The information required under Subsections (a) and (b)  
27 is in addition to any other information required under this title to

1 be included on an identification card or other document issued in  
2 conjunction with a health benefit plan.

3 Sec. 1215.005. RULES. (a) The commissioner shall adopt  
4 rules in the manner prescribed by Subchapter A, Chapter 36, as  
5 necessary to implement this chapter.

6 (b) The commissioner, by rule:

7 (1) shall:

8 (A) designate the type of technology to be used  
9 to provide the information required on an identification card  
10 described under Section 1215.004, which may include magnetic strip  
11 technology, smart card technology, biometric technology, or any  
12 other technology determined appropriate by the department; and

13 (B) protect the confidentiality and accuracy of  
14 the information described by Sections 1215.004(a)-(b); and

15 (2) may authorize changes in the form of the  
16 technology designated under Subdivision (1)(A) as necessary to  
17 conform to changes in that technology.

18 Sec. 1215.006. INSURER COMPLIANCE. (a) Each issuer of a  
19 health benefit plan that offers a health benefit plan in a county  
20 designated by the commissioner under Section 1215.003(b) for  
21 initial participation in the identification card requirements  
22 program shall comply with this chapter and rules adopted under this  
23 chapter not later than September 1, 2008.

24 (b) Each issuer of a health benefit plan that offers a  
25 health benefit plan in this state other than a plan described by  
26 Subsection (a) shall comply with this chapter and rules adopted  
27 under this chapter not later than September 1, 2010.

1        (c) To ensure timely compliance with the requirements of  
2 this chapter, the commissioner may require the issuer of a health  
3 benefit plan to submit its procedures for implementation of the  
4 requirements to the department in the form prescribed by the  
5 commissioner.

6        SECTION 2. This Act takes effect September 1, 2007.