

1-1 By: Taylor, Hancock (Senate Sponsor - Williams) H.B. No. 2252  
1-2 (In the Senate - Received from the House April 10, 2007;  
1-3 April 11, 2007, read first time and referred to Committee on State  
1-4 Affairs; April 24, 2007, reported favorably by the following vote:  
1-5 Yeas 7, Nays 0; April 24, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to provision of health-related services, health care  
1-9 information, and incentives promoting disease prevention,  
1-10 wellness, and health by certain insurers and related entities and  
1-11 certain health care providers.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 541.058, Insurance Code, is amended to  
1-14 read as follows:

1-15 Sec. 541.058. CERTAIN PRACTICES NOT CONSIDERED  
1-16 DISCRIMINATION OR INDUCEMENT. (a) In this section:

1-17 (1) "Health-related services" means services that are  
1-18 available in connection with an accident and health insurance  
1-19 policy or certificate or an evidence of coverage and that are  
1-20 directed to an individual's health improvement or maintenance.

1-21 (2) "Health-related information" means that  
1-22 information that is directed to an individual's health improvement  
1-23 or maintenance or to costs associated with particular options  
1-24 available in connection with an accident and health insurance  
1-25 policy or certificate or an evidence of coverage.

1-26 (b) It is not a rebate or discrimination prohibited by  
1-27 Section 541.056(a) or 541.057:

1-28 (1) for a life insurance or life annuity contract, to  
1-29 pay a bonus to a policyholder or otherwise abate the policyholder's  
1-30 premiums in whole or in part out of surplus accumulated from  
1-31 nonparticipating insurance policies if the bonus or abatement:

1-32 (A) is fair and equitable to policyholders; and

1-33 (B) is in the best interests of the insurer and  
1-34 its policyholders;

1-35 (2) for a life insurance policy issued on the  
1-36 industrial debit plan, to make to a policyholder who has  
1-37 continuously for a specified period made premium payments directly  
1-38 to the insurer's office an allowance in an amount that fairly  
1-39 represents the saving in collection expenses;

1-40 (3) for a group insurance policy, to readjust the rate  
1-41 of premium based on the loss or expense experience under the policy  
1-42 at the end of a policy year if the adjustment is retroactive for  
1-43 only that policy year; [~~or~~]

1-44 (4) for a life annuity contract, to waive surrender  
1-45 charges under the contract when the contract holder exchanges that  
1-46 contract for another annuity contract issued by the same insurer if  
1-47 the waiver and the exchange are fully, fairly, and accurately  
1-48 explained to the contract holder in a manner that is not deceptive  
1-49 or misleading;

1-50 (5) in connection with an accident and health  
1-51 insurance policy, to provide to policy or certificate holders, in  
1-52 addition to benefits under the terms of the insurance contract,  
1-53 health-related services or health-related information, or to  
1-54 disclose the availability of those additional services and  
1-55 information to prospective policy or certificate holders; or

1-56 (6) in connection with a health maintenance  
1-57 organization evidence of coverage, to provide to enrollees, in  
1-58 addition to benefits under the evidence of coverage, health-related  
1-59 services or health-related information, or to disclose the  
1-60 availability of those additional services and information to  
1-61 prospective enrollees or contract holders.

1-62 SECTION 2. Subchapter A, Chapter 1201, Insurance Code, is  
1-63 amended by adding Section 1201.013 to read as follows:

1-64 Sec. 1201.013. PROGRAMS PROMOTING DISEASE PREVENTION,

2-1 WELLNESS, AND HEALTH. (a) An insurer issuing an accident and  
2-2 health insurance policy may establish premium discounts, rebates,  
2-3 or a reduction in otherwise applicable copayments, coinsurance, or  
2-4 deductibles, or any combination of these incentives, for an insured  
2-5 who participates in programs promoting disease prevention,  
2-6 wellness, and health.

2-7 (b) A discount, rebate, or reduction established under this  
2-8 section does not violate Section 541.056(a).

2-9 SECTION 3. Section 1501.107(a), Insurance Code, is amended  
2-10 to read as follows:

2-11 (a) A small or large employer health benefit plan issuer may  
2-12 establish premium discounts, rebates, or a reduction in otherwise  
2-13 applicable copayments, coinsurance, or deductibles, or any  
2-14 combination of these incentives, in return for participation in  
2-15 [~~adherence to~~] programs promoting [~~of health promotion and~~] disease  
2-16 prevention, wellness, and health.

2-17 SECTION 4. This Act takes effect immediately if it receives  
2-18 a vote of two-thirds of all the members elected to each house, as  
2-19 provided by Section 39, Article III, Texas Constitution. If this  
2-20 Act does not receive the vote necessary for immediate effect, this  
2-21 Act takes effect September 1, 2007.

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