

By: Williams

S.B. No. 808

A BILL TO BE ENTITLED

1 AN ACT

2 relating to disclosure of information about health care-related
3 services or access to health care information provided to persons
4 covered by health benefit plans.

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

6 SECTION 1. Section 541.058, Insurance Code, is amended to
7 read as follows:

8 Sec. 541.058. CERTAIN PRACTICES NOT CONSIDERED
9 DISCRIMINATION OR INDUCEMENT. (a) In this section:

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

14 (2) "Health-related information" means that
15 information that is directed to an individual's health improvement
16 or maintenance or to costs associated with particular options
17 available in connection with an accident and health insurance
18 policy or certificate or an evidence of coverage.

19 (b) It is not a rebate or discrimination prohibited by
20 Section 541.056(a) or 541.057:

21 (1) for a life insurance or life annuity contract, to
22 pay a bonus to a policyholder or otherwise abate the policyholder's
23 premiums in whole or in part out of surplus accumulated from
24 nonparticipating insurance policies if the bonus or abatement:

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

2 (B) is in the best interests of the insurer and
3 its policyholders;

4 (2) for a life insurance policy issued on the
5 industrial debit plan, to make to a policyholder who has
6 continuously for a specified period made premium payments directly
7 to the insurer's office an allowance in an amount that fairly
8 represents the saving in collection expenses;

9 (3) for a group insurance policy, to readjust the rate
10 of premium based on the loss or expense experience under the policy
11 at the end of a policy year if the adjustment is retroactive for
12 only that policy year; [~~or~~]

13 (4) for a life annuity contract, to waive surrender
14 charges under the contract when the contract holder exchanges that
15 contract for another annuity contract issued by the same insurer if
16 the waiver and the exchange are fully, fairly, and accurately
17 explained to the contract holder in a manner that is not deceptive
18 or misleading;

19 (5) in connection with an accident and health
20 insurance policy, to provide to policy or certificate holders, in
21 addition to benefits under the terms of the insurance contract,
22 health-related services or health-related information, or to
23 disclose the availability of those additional services and
24 information to prospective policy or certificate holders; or

25 (6) in connection with a health maintenance
26 organization evidence of coverage, to provide to enrollees, in
27 addition to benefits under the evidence of coverage, health-related

1 services or health-related information, or to disclose the
2 availability of those additional services and information to
3 prospective enrollees or contract holders.

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