

AN ACT

relating to requirements in certain health benefit plans that certain health care services be obtained in a foreign country.

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. OUT-OF-COUNTRY COVERAGE PROHIBITED

Sec. 1215.001. DEFINITIONS. In this chapter:

(1) "Enrollee" means an individual entitled to coverage under a health benefit plan.

(2) "Foreign country" means a governmental unit other than:

(A) the United States;

(B) a state, district, commonwealth, territory, or insular possession of the United States;

(C) the Panama Canal Zone; or

(D) the Trust Territory of the Pacific Islands.

(3) "Health care service" means a service to diagnose, prevent, alleviate, cure, or heal a health condition, sickness, or injury that is provided to an enrollee by a physician or other health care provider.

Sec. 1215.002. APPLICABILITY OF CHAPTER. (a) This chapter applies only to a health benefit plan that provides benefits for health care services, including medical or surgical expenses,

1 incurred as a result of a health condition, accident, or sickness,  
2 including:

3 (1) an individual, group, blanket, or franchise  
4 insurance policy or insurance agreement, a group hospital service  
5 contract, or an individual or group evidence of coverage that is  
6 offered by:

7 (A) an insurance company;

8 (B) a group hospital service corporation  
9 operating under Chapter 842;

10 (C) a fraternal benefit society operating under  
11 Chapter 885;

12 (D) a stipulated premium company operating under  
13 Chapter 884; or

14 (E) a health maintenance organization operating  
15 under Chapter 843; and

16 (2) to the extent permitted by the Employee Retirement  
17 Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), a  
18 health benefit plan that is offered by:

19 (A) a multiple employer welfare arrangement as  
20 defined by Section 3 of that Act; or

21 (B) another analogous benefit arrangement.

22 (b) For purposes of Subsection (a), a health benefit plan  
23 includes a consumer choice of benefits plan issued under Chapter  
24 1507.

25 Sec. 1215.003. EXCEPTION. This chapter does not apply to:

26 (1) a plan that provides coverage:

27 (A) only for a specified disease;

1                   (B) only for accidental death or dismemberment;

2                   (C) for wages or payments in lieu of wages for a  
3 period during which an employee is absent from work because of  
4 sickness or injury;

5                   (D) as a supplement to a liability insurance  
6 policy;

7                   (E) only for dental or vision care;

8                   (F) only for indemnity for hospital confinement;  
9 or

10                   (G) only for health care services provided to an  
11 enrollee while the enrollee is traveling to, visiting, or residing  
12 in a foreign country;

13                   (2) a Medicare supplemental policy as defined by  
14 Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss);

15                   (3) a workers' compensation insurance policy;

16                   (4) medical payment insurance coverage provided under  
17 a motor vehicle insurance policy; or

18                   (5) a long-term care insurance policy, including a  
19 nursing home fixed indemnity policy, unless the commissioner  
20 determines that the policy provides benefit coverage so  
21 comprehensive that the policy is a health benefit plan as described  
22 by Section 1215.002.

23                   Sec. 1215.004. OUT-OF-COUNTRY CARE PROHIBITED. A health  
24 benefit plan issuer may not issue or offer for sale in this state a  
25 health benefit plan that requires an enrollee to travel to a foreign  
26 country to receive a particular health care service under the  
27 health benefit plan.

1           SECTION 2. The change in law made by this Act applies only  
2 to a health benefit plan that is delivered, issued for delivery, or  
3 renewed on or after January 1, 2008. A health benefit plan that is  
4 delivered, issued for delivery, or renewed before January 1, 2008,  
5 is covered by the law in effect at the time the plan was delivered,  
6 issued for delivery, or renewed, and that law is continued in effect  
7 for that purpose.

8           SECTION 3. This Act takes effect September 1, 2007.

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President of the Senate

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Speaker of the House

I hereby certify that S.B. No. 1391 passed the Senate on May 4, 2007, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2007, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

I hereby certify that S.B. No. 1391 passed the House, with amendment, on May 23, 2007, by the following vote: Yeas 144, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor