

By: Uresti

S.B. No. 1391

A BILL TO BE ENTITLED

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;

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; and

22 (3) health and accident coverage provided by a risk  
23 pool created under Chapter 172, Local Government Code,  
24 notwithstanding Section 172.014, Local Government Code, or any  
25 other law.

26 (b) For purposes of Subsection (a), a health benefit plan  
27 includes a consumer choice of benefits plan issued under Chapter

1 1507.

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

3 (1) a plan that provides coverage:

4 (A) only for a specified disease;

5 (B) only for accidental death or dismemberment;

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

9 (D) as a supplement to a liability insurance  
10 policy;

11 (E) only for dental or vision care; or

12 (F) only for indemnity for hospital confinement;

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:

27 (1) a particular health care service under the health

1 benefit plan; or

2 (2) a discount on the amount an enrollee must pay to  
3 receive a particular health care service under the health benefit  
4 plan.

5 SECTION 2. The change in law made by this Act applies only  
6 to an insurance policy that is delivered, issued for delivery, or  
7 renewed on or after January 1, 2008. An insurance policy that is  
8 delivered, issued for delivery, or renewed before January 1, 2008,  
9 is covered by the law in effect at the time the policy was  
10 delivered, issued for delivery, or renewed, and that law is  
11 continued in effect for that purpose.

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