

By: Lucio

S.B. No. 1445

A BILL TO BE ENTITLED

AN ACT

relating to the operation and regulation of cross border health benefit plans.

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

ARTICLE 1. CROSS BORDER HEALTH BENEFIT PLANS

SECTION 1.001. Subtitle G, Title 8, Insurance Code, is amended by adding Chapter 1510 to read as follows:

CHAPTER 1510. CROSS BORDER HEALTH BENEFIT PLANS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1510.001. DEFINITIONS. In this chapter:

(1) "Basic health care services" means health care services that the commissioner determines an enrolled population might reasonably require in order to be maintained in good health, including any services required by the applicable laws of the United Mexican States.

(2) "Cross border health benefit plan" means a health benefit plan that is:

(A) offered or made available to the categories of persons described by Section 1510.002; and

(B) provided in the service area designated under Section 1510.003 by physicians, other health care practitioners, and health care facilities located in this state or the United Mexican States.

(3) "Emergency care" means health care services

1 provided in a hospital emergency facility or comparable facility to
2 evaluate and stabilize medical conditions of a recent onset and
3 severity, including severe pain, that would lead a prudent
4 layperson, possessing an average knowledge of medicine and health,
5 to believe that the individual's condition, sickness, or injury is
6 of such a nature that failure to get immediate medical care could
7 result in:

8 (A) placing the patient's health in serious
9 jeopardy;

10 (B) serious impairment to bodily functions;

11 (C) serious dysfunction of any bodily organ or
12 part;

13 (D) serious disfigurement; or

14 (E) in the case of a pregnant woman, serious
15 jeopardy to the health of the fetus.

16 (4) "Enrollee" means an individual enrolled in a cross
17 border health benefit plan under this chapter. The term includes a
18 covered dependent.

19 (5) "Health benefit plan" means an individual, group,
20 blanket, or franchise insurance policy, a certificate issued under
21 a group policy, a group hospital service contract, or an individual
22 or group contract or evidence of coverage issued by a health
23 maintenance organization that provides benefits for health care
24 services. The term does not include:

25 (A) accident-only or disability income insurance
26 coverage or a combination of accident-only and disability income
27 insurance coverage;

- 1 (B) credit-only insurance coverage;
2 (C) disability insurance coverage;
3 (D) coverage for a specified disease or illness;
4 (E) Medicare services under a federal contract;
5 (F) Medicare supplement and Medicare Select
6 benefit plans regulated in accordance with federal law;
7 (G) long-term care coverage or benefits, nursing
8 home care coverage or benefits, home health care coverage or
9 benefits, community-based care coverage or benefits, or any
10 combination of those coverages or benefits;
11 (H) coverage that provides limited-scope dental
12 or vision benefits;
13 (I) coverage provided by a single service health
14 maintenance organization;
15 (J) workers' compensation insurance coverage or
16 similar insurance coverage;
17 (K) coverage provided through a jointly managed
18 trust authorized under 29 U.S.C. Section 141 et seq. that contains a
19 plan of benefits for employees that is negotiated in a collective
20 bargaining agreement governing wages, hours, and working
21 conditions of the employees that is authorized under 29 U.S.C.
22 Section 157;
23 (L) hospital indemnity or other fixed indemnity
24 insurance coverage;
25 (M) reinsurance contracts issued on a stop-loss,
26 quota-share, or similar basis;
27 (N) short-term major medical contracts;

1 (O) liability insurance coverage, including
2 general liability insurance coverage and automobile liability
3 insurance coverage, and coverage issued as a supplement to
4 liability insurance coverage, including automobile medical payment
5 insurance coverage;

6 (P) coverage for on-site medical clinics;

7 (Q) coverage that provides other limited
8 benefits specified by commissioner rule; or

9 (R) other coverage that:

10 (i) is similar to the coverage described by
11 this subdivision under which benefits for medical care are
12 secondary or incidental to other coverage benefits; and

13 (ii) is specified by commissioner rule.

14 (6) "Health benefit plan issuer" means an entity
15 authorized under this code or another insurance law of this state
16 that provides health insurance or health benefits in this state,
17 including:

18 (A) an insurance company;

19 (B) a group hospital service corporation
20 operating under Chapter 842; and

21 (C) a health maintenance organization operating
22 under Chapter 843.

23 (7) "Health care facility" means a hospital, emergency
24 clinic, outpatient clinic, or other facility providing health care
25 services.

26 (8) "Health care practitioner" means:

27 (A) an individual licensed by this state or by

1 the appropriate authority of the United Mexican States to provide
2 health care and who provides health care under the terms of that
3 license; or

4 (B) a nonlicensed individual who provides or
5 renders health care under the direction or supervision of a
6 physician licensed by:

7 (i) the Texas Medical Board; or

8 (ii) a medical licensing program operated
9 under the appropriate authority of the United Mexican States and
10 recognized by the Texas Medical Board.

11 (9) "Health care provider" means a health care
12 facility or health care practitioner.

13 (10) "Health care services" means services provided to
14 an individual to prevent, alleviate, cure, or heal human illness or
15 injury. For purposes of this chapter, the term means:

16 (A) basic health care services; and

17 (B) other services as specified by commissioner
18 rule, which may include:

19 (i) pharmaceutical services;

20 (ii) chiropractic or dental care;

21 (iii) hospitalization; and

22 (iv) care or services incidental to the
23 health care services described by Subparagraphs (i)-(iii).

24 (11) "Health maintenance organization" means an
25 organization regulated under Chapter 843.

26 Sec. 1510.002. ELIGIBLE ENROLLEES. An individual is
27 eligible to receive health care services as an enrollee in a cross

1 border health benefit plan if the individual is:

2 (1) a citizen of the United States of America;

3 (2) a citizen of the United Mexican States who is
4 legally residing or working in the United States of America; or

5 (3) a dependent of an individual described by
6 Subdivision (1) or (2).

7 Sec. 1510.003. SERVICE AREA. (a) A health benefit plan
8 issuer that holds a special certificate of authority under this
9 chapter may operate a cross border health benefit plan to provide
10 health care services to an eligible enrollee in the service area
11 designated by the issuer under Subsection (b).

12 (b) Except as provided by Subsection (c) and Section
13 1510.102(b), a cross border health benefit plan may offer and
14 provide health care services only in the geographic region composed
15 of this state and those United Mexican States that are located
16 within 75 miles of the border of this state and the United Mexican
17 States. The health benefit plan issuer shall designate the service
18 area for the plan, which may be composed of:

19 (1) this state and the United Mexican States of
20 Coahuila de Zaragoza, Nuevo Leon, Chihuahua, and Tamaulipas; or

21 (2) only the United Mexican States of Coahuila de
22 Zaragoza, Nuevo Leon, Chihuahua, and Tamaulipas.

23 (c) A cross border health benefit plan shall provide
24 emergency care in this state and in the service area designated
25 under Subsection (b) to an eligible enrollee.

26 Sec. 1510.004. GENERAL POWERS AND DUTIES OF COMMISSIONER.

27 (a) The commissioner shall implement and enforce this chapter.

1 (b) The commissioner shall adopt rules in accordance with
2 Subchapter A, Chapter 36, as necessary to implement this chapter.
3 In adopting those rules, the commissioner may consult with
4 appropriate authorities in California, other states, and the United
5 Mexican States.

6 (c) The commissioner by rule shall require compliance with
7 any applicable state and federal requirements regarding the use of
8 foreign currency in the payment of services provided by cross
9 border health benefit plans.

10 (d) The commissioner shall prescribe by rule specific
11 oversight requirements for health benefit plan issuers that operate
12 cross border health benefit plans.

13 (e) In cooperation with the appropriate authorities of the
14 United Mexican States, the commissioner may adopt rules relating to
15 regulation of agents who are citizens of the United Mexican States
16 and who market or sell cross border health benefit plans to citizens
17 of this state.

18 Sec. 1510.005. ADVISORY COMMITTEES. (a) The commissioner
19 may appoint advisory committees to make recommendations to the
20 commissioner and the department regarding the implementation of
21 this chapter.

22 (b) Members of an advisory committee appointed under this
23 section may include physicians and other health care practitioners,
24 including health care practitioners who are citizens of the United
25 Mexican States.

26 Sec. 1510.006. INTERNATIONAL AGREEMENTS. (a) The
27 commissioner may formulate and adopt agreements with the United

1 Mexican States regarding cross border health benefit plans and may
2 enter into memoranda of understanding with the appropriate
3 authorities of the states of Coahuila de Zaragosa, Nuevo Leon,
4 Chihuahua, and Tamaulipas regarding operation of cross border
5 health benefit plans in those states.

6 (b) The commissioner shall submit copies of any agreements
7 or memoranda entered into under this section to the office of the
8 governor.

9 (c) Any agreement entered into under this section must
10 comply with federal law.

11 Sec. 1510.007. PREVAILING COMMUNITY STANDARDS. (a) The
12 delivery of health care services in the United Mexican States
13 through a cross border health benefit plan must be based on and
14 determined by the prevailing community standards in the United
15 Mexican States, and the licensing of health care providers who
16 provide those services is governed by the applicable laws of the
17 United Mexican States.

18 (b) A health care practitioner providing health care
19 services in the United Mexican States through a cross border health
20 benefit plan is not required to be licensed in this state. The
21 credentialing, peer review, and quality of care standards used by a
22 health care practitioner providing services under a cross border
23 health benefit plan is governed by the standards that apply in the
24 United Mexican States and applicable commissioner rules relating to
25 quality of care.

26 (c) Chapter 1451 does not apply to a cross border health
27 benefit plan.

1 [Sections 1510.008-1510.050 reserved for expansion]

2 SUBCHAPTER B. SPECIAL CERTIFICATE OF AUTHORITY

3 Sec. 1510.051. ADOPTION OF CROSS BORDER HEALTH BENEFIT
4 PLANS; SPECIAL CERTIFICATE OF AUTHORITY REQUIRED. (a) A health
5 benefit plan issuer authorized under this code to engage in the
6 business of insurance in this state may offer cross border health
7 benefit plans to provide health care services to eligible enrollees
8 in the service area designated by the issuer under Section
9 1510.003.

10 (b) To market, sell, or operate a cross border health
11 benefit plan, a health benefit plan issuer must hold a special
12 certificate of authority issued by the department under this
13 chapter.

14 Sec. 1510.052. INDIVIDUAL AND GROUP COVERAGE AUTHORIZED.
15 Cross border health benefit plans may be offered to individuals and
16 to employers.

17 Sec. 1510.053. COMPLIANCE WITH QUALITY OF CARE
18 REQUIREMENTS. A health benefit plan issuer that holds a special
19 certificate of authority under this chapter must comply with all
20 quality of care requirements for cross border health benefit plans
21 adopted by commissioner rule.

22 [Sections 1510.054-1510.100 reserved for expansion]

23 SUBCHAPTER C. OPERATION OF CROSS BORDER HEALTH

24 BENEFIT PLANS

25 Sec. 1510.101. MEDICAL DIRECTOR. (a) Each health benefit
26 plan issuer that offers a cross border health benefit plan under
27 this chapter must employ or designate a medical director who is

1 responsible for the provision of quality health care services under
2 the plan.

3 (b) A medical director under Subsection (a) must be licensed
4 to practice medicine in this state or, for health care services
5 provided only in the United Mexican States, must hold the
6 appropriate credentials under Mexican law to practice medicine in
7 the United Mexican States.

8 Sec. 1510.102. COVERAGE FOR CERTAIN MINIMUM HEALTH CARE
9 BENEFITS. (a) In this section, "minimum health care benefit"
10 means:

11 (1) a health care service or benefit listed under
12 Section 1507.003 or Section 1507.053 that may not be exempted from
13 coverage in a consumer choice of benefits plan under Chapter 1507
14 that is offered by a health carrier or a health maintenance
15 organization; and

16 (2) any other minimum benefit that must be offered by a
17 standard health benefit plan under Subchapter A or B, Chapter 1507,
18 as applicable.

19 (b) A health benefit plan issuer that holds a special
20 certificate of authority under this chapter must provide coverage
21 in this state in its cross border health benefit plan for a minimum
22 health care benefit if the plan's medical director determines that
23 it is not possible to provide coverage for that benefit in the
24 United Mexican States.

25 (c) The commissioner by rule may designate any other benefit
26 required by Subtitle E, Title 8, to be a minimum benefit required to
27 be provided by a cross border health benefit plan if the

1 commissioner determines that the cost of providing the benefit
2 under the plan is outweighed by need addressed by the benefit.

3 (d) Except as provided by this section, Subtitle E, Title 8,
4 does not apply to a cross border health benefit plan.

5 Sec. 1510.103. COVERAGE FOR PRESCRIPTION DRUGS. A cross
6 border health benefit plan shall cover prescription drugs if that
7 coverage is required by commissioner rule.

8 Sec. 1510.104. REPORTING REQUIREMENTS. (a) A health
9 benefit plan issuer that holds a special certificate of authority
10 under this chapter shall comply with the reporting requirements
11 adopted under Subchapter B, Chapter 38.

12 (b) The health benefit plan issuer shall submit an annual
13 report regarding the issuer's cross border health benefit plan to
14 the department. The annual report must be in the form prescribed by
15 the commissioner and must include:

16 (1) a financial statement of the health benefit plan
17 issuer, including its balance sheet and receipts and disbursements
18 in relation to the cross border health benefit plan for the
19 preceding calendar year reported in United States currency,
20 certified by an independent public accountant;

21 (2) the number of individuals enrolled in the issuer's
22 cross border benefit health plan during the preceding calendar
23 year, the number of enrollees as of the end of that year, and the
24 number of enrollments terminated during that year;

25 (3) updated financial projections for the next
26 calendar year; and

27 (4) other information relating to the performance of

1 the cross border health benefit plan as necessary to enable the
2 commissioner to perform the commissioner's duties under this
3 chapter.

4 (c) The commissioner by rule may adopt additional reporting
5 requirements for health benefit plan issuers that operate cross
6 border health benefit plans as necessary to implement this chapter
7 and protect the public welfare.

8 Sec. 1510.105. ADVERTISING RELATING TO CROSS BORDER HEALTH
9 BENEFIT PLAN; REQUIREMENTS; DEPARTMENT OVERSIGHT. (a) A health
10 benefit plan issuer that holds a special certificate of authority
11 under this chapter may advertise regarding the issuer's cross
12 border health benefit plan.

13 (b) The commissioner may adopt rules regarding advertising
14 for cross border health benefit plans only as necessary to prohibit
15 false, misleading, or deceptive practices.

16 (c) With respect to a cross border health benefit plan under
17 this chapter, the business of insurance in this state includes
18 using, creating, publishing, mailing, or disseminating in this
19 state an advertisement relating to any act that constitutes the
20 business of insurance under Section 101.051.

21 (d) A health benefit plan issuer that holds a special
22 certificate of authority under this chapter may use an
23 advertisement described by Subsection (a) only if the health
24 benefit plan issuer:

25 (1) has actual knowledge of the content of the
26 advertisement;

27 (2) has authorized the advertisement to be used,

1 created, published, mailed, or disseminated on that health benefit
2 plan issuer's behalf; and

3 (3) is clearly identified by name in the advertisement
4 in English and Spanish as the sponsor of the advertisement.

5 (e) A health benefit plan issuer may not:

6 (1) make, issue, or circulate or cause to be made,
7 issued, or circulated in an advertisement to a prospective enrollee
8 a misrepresentation that violates Chapter 541; or

9 (2) cause to be made to a prospective enrollee in any
10 form of media a misrepresentation in an announcement or statement
11 that violates Chapter 541.

12 (f) If the department has reason to believe that a health
13 benefit plan issuer has engaged in an act prohibited by Subsection
14 (e), the department shall:

15 (1) notify the health benefit plan issuer in writing;
16 and

17 (2) take action under Chapter 541 against a health
18 benefit plan issuer notified under Subdivision (1) if:

19 (A) after the 30th day following the date of
20 notice, the health benefit plan issuer has not stopped making,
21 issuing, or circulating or causing to be made, issued, or
22 circulated the misrepresentations; and

23 (B) the department has reason to believe that:

24 (i) the health benefit plan issuer is
25 issuing or delivering cross border health benefit plans in a
26 service area designated under Section 1510.003 or is collecting
27 premiums on those plans from eligible enrollees; and

1 (ii) a department proceeding regarding the
2 misrepresentations is in the public interest.

3 [Sections 1510.106-1510.150 reserved for expansion]

4 SUBCHAPTER D. DISCIPLINARY ACTIONS AND ENFORCEMENT

5 Sec. 1510.151. GENERAL PROVISIONS. (a) The commissioner may
6 revoke a special certificate of authority issued under this chapter
7 or otherwise discipline a health benefit plan issuer that holds a
8 special certificate of authority for a violation of this chapter or
9 another insurance law of this state.

10 (b) A disciplinary action under this section is subject to
11 Subtitle B, Title 2.

12 Sec. 1510.152. FRAUDULENT ACTIVITIES. (a) The insurance
13 fraud unit shall investigate any fraudulent insurance acts
14 regarding the marketing and operation of a cross border health
15 benefit plan in the manner prescribed by Chapter 701 for other
16 fraudulent insurance acts.

17 (b) If the commissioner has reason to believe a person has
18 engaged in, is engaging in, has committed, or is about to commit a
19 fraudulent insurance act regarding a cross border health benefit
20 plan, the commissioner may conduct any investigation necessary
21 inside or outside this state to determine whether the act or offense
22 occurred or aid in enforcing laws relating to fraudulent insurance
23 acts or insurance fraud. In conducting an investigation under this
24 subsection, the commissioner may investigate activities occurring
25 anywhere in a service area designated under Section 1510.003 to the
26 extent authorized by the appropriate authorities of the United
27 Mexican States.

ARTICLE 2. CONFORMING AMENDMENTS

SECTION 2.001. Subchapter F, Chapter 841, Insurance Code, is amended by adding Section 841.2571 to read as follows:

Sec. 841.2571. CROSS BORDER HEALTH BENEFIT PLAN. An insurance company authorized to engage in the business of insurance under this chapter may offer and provide cross border health benefit plans in the manner provided by Chapter 1510.

SECTION 2.002. Subchapter F, Chapter 842, Insurance Code, is amended by adding Section 842.2571 to read as follows:

Sec. 842.2571. CROSS BORDER HEALTH BENEFIT PLAN. A group hospital service corporation may offer and provide cross border health benefit plans in the manner provided by Chapter 1510.

SECTION 2.003. Section 843.107, Insurance Code, is amended to read as follows:

Sec. 843.107. INDEMNITY BENEFITS; POINT-OF-SERVICE PROVISIONS. (a) A health maintenance organization may offer:

(1) indemnity benefits covering out-of-area emergency care;

(2) indemnity benefits, in addition to those relating to out-of-area and emergency care, provided through an insurer or group hospital service corporation;

(3) a point-of-service plan under Subchapter A, Chapter 1273 [~~Article 3.64~~]; or

(4) a point-of-service rider under Section 843.108.

(b) This section applies to a cross border health benefit plan offered by a health maintenance organization only as provided by commissioner rule.

1 SECTION 2.004. Subchapter D, Chapter 843, Insurance Code,
2 is amended by adding Section 843.114 to read as follows:

3 Sec. 843.114. CROSS BORDER HEALTH BENEFIT PLAN. (a) A
4 health maintenance organization licensed to provide basic health
5 care services under this chapter may offer and provide cross border
6 health benefit plans in the manner provided by Chapter 1510.

7 (b) In arranging for or providing a cross border health
8 benefit plan, a health maintenance organization has all of the
9 powers and authority granted under this subchapter.

10 (c) A health maintenance organization that offers a cross
11 border health benefit plan must contract with sufficient providers
12 and physicians to ensure that all health care services for which
13 coverage is provided will be reasonably available and accessible.

14 SECTION 2.005. Section 1201.003(d), Insurance Code, is
15 amended to read as follows:

16 (d) This chapter does not apply to:

17 (1) any society, company, or other insurer whose
18 activities are exempt by statute from the control of the department
19 and that is entitled by statute to a certificate from the department
20 that shows the entity's exempt status;

21 (2) a credit accident and health insurance policy
22 issued under Chapter 1153;

23 (3) a workers' compensation insurance policy;

24 (4) a liability insurance policy, with or without
25 supplementary expense coverage;

26 (5) a reinsurance policy or contract;

27 (6) a blanket or group insurance policy, except as

1 otherwise provided by this chapter; [~~or~~]

2 (7) a life insurance endowment or annuity contract or
3 a contract supplemental to a life insurance endowment or annuity
4 contract if the contract or supplemental contract contains only
5 provisions relating to accident and health insurance that:

6 (A) provide additional benefits in case of
7 accidental death, accidental dismemberment, or accidental loss of
8 sight; or

9 (B) operate to:

10 (i) safeguard the contract or supplemental
11 contract against lapse; or

12 (ii) give a special surrender value, a
13 special benefit, or an annuity if the insured or annuitant becomes
14 totally and permanently disabled, as defined by the contract or
15 supplemental contract; or

16 (8) except as provided by commissioner rule, a cross
17 border health benefit plan subject to Chapter 1510.

18 SECTION 2.006. Section 1251.007, Insurance Code, is amended
19 to read as follows:

20 Sec. 1251.007. EXCEPTIONS. This subchapter and Subchapters
21 B-I do not apply to:

22 (1) a credit accident and health insurance policy
23 subject to Chapter 1153;

24 (2) any group specifically provided for or authorized
25 by law in existence and covered under a policy filed with the State
26 Board of Insurance before April 1, 1975;

27 (3) accident or health coverage that is incidental to

1 any form of a group automobile, casualty, property, workers'
2 compensation, or employers' liability policy approved by the
3 commissioner; ~~[or]~~

4 (4) any policy or contract of insurance with a state
5 agency, department, or board providing health services:

6 (A) to eligible individuals under Chapter 32,
7 Human Resources Code; or

8 (B) under a state plan adopted in accordance with
9 42 U.S.C. Sections 1396-1396g, as amended, or 42 U.S.C. Section
10 1397aa et seq., as amended; or

11 (5) except as provided by commissioner rule, a cross
12 border health benefit plan subject to Chapter 1510.

13 SECTION 2.007. Section 1271.005, Insurance Code, is amended
14 by adding Subsection (f) to read as follows:

15 (f) Chapter 1510 applies to a health maintenance
16 organization that issues a cross border health benefit plan.

17 SECTION 2.008. Subchapter A, Chapter 1273, Insurance Code,
18 is amended by adding Section 1273.006 to read as follows:

19 Sec. 1273.006. CROSS BORDER HEALTH BENEFIT PLAN. This
20 chapter applies to a cross border health benefit plan offered by an
21 insurer only as provided by commissioner rule.

22 SECTION 2.009. Subchapter A, Chapter 1301, Insurance Code,
23 is amended by adding Section 1301.009 to read as follows:

24 Sec. 1301.009. CROSS BORDER HEALTH BENEFIT PLAN. (a) An
25 insurer that offers a preferred provider benefit plan under this
26 chapter may offer and provide a cross border health benefit plan
27 through a preferred provider network. The insurer must comply with

1 requirements adopted by the commissioner under Chapter 1510.

2 (b) An insurer that offers a cross border health benefit
3 plan through a preferred provider plan must contract with
4 sufficient health care providers, institutional providers, and
5 physicians to ensure that all health care services for which
6 coverage is provided will be reasonably available and accessible.

7 SECTION 2.010. Section 1506.002, Insurance Code, is amended
8 by adding Subsection (c) to read as follows:

9 (c) In this chapter, "health benefit plan" includes a cross
10 border health benefit plan offered under Chapter 1510 only as
11 provided by commissioner rule.

12 SECTION 2.011. Subchapter A, Chapter 1506, Insurance Code,
13 is amended by adding Section 1506.008 to read as follows:

14 Sec. 1506.008. ELIGIBILITY OF CERTAIN INDIVIDUALS FOR
15 COVERAGE UNDER CROSS BORDER HEALTH BENEFIT PLAN. (a)
16 Notwithstanding Section 1506.152(a), an individual who is not a
17 legally domiciled resident of this state is eligible for coverage
18 from the pool if:

19 (1) the individual is eligible for coverage under
20 Section 1510.002 in a cross border health benefit plan; and

21 (2) the commissioner by rule determines that the
22 extension of coverage under this chapter to an individual described
23 by Subdivision (1) promotes the public health, safety, and welfare
24 through improving the quality, affordability, and effectiveness of
25 health care and access to health care for citizens of this state.

26 (b) The commissioner may not impose assessments as provided
27 by Subchapter F with respect to cross border health benefit plans

1 unless the commissioner determines under Subsection (a) to extend
2 eligibility under the pool to individuals who are not legally
3 domiciled residents of this state.

4 ARTICLE 3. TRANSITION; EFFECTIVE DATE

5 SECTION 3.001. (a) The Texas Department of Insurance shall
6 conduct a study to determine:

7 (1) to what extent cross border health benefit plans
8 authorized under Chapter 1510, Insurance Code, as added by this
9 Act, are being used by persons eligible to enroll in health benefit
10 plans to which that law applies; and

11 (2) the impact of cross border health benefit plans
12 on:

13 (A) the number of persons without health benefit
14 plan coverage in this state;

15 (B) public health care expenditures; and

16 (C) health care providers.

17 (b) On or before January 1, 2011, the commissioner of
18 insurance shall report the findings of the study conducted under
19 this section to the governor, the lieutenant governor, the speaker
20 of the house of representatives, and the Legislative Budget Board.

21 (c) The Health and Human Services Commission and any other
22 state agency shall cooperate with the Texas Department of Insurance
23 as necessary to implement this section.

24 (d) This section expires September 1, 2011.

25 SECTION 3.002. The commissioner of insurance shall adopt
26 rules as necessary to implement Chapter 1510, Insurance Code, as
27 added by this Act, not later than December 31, 2007.

1 SECTION 3.003. (a) This Act applies only to a cross border
2 health benefit plan, as defined by Chapter 1510, Insurance Code, as
3 added by this Act, that is offered by a health benefit plan issuer
4 on or after January 1, 2008. A health benefit plan offered by a
5 health benefit plan issuer before January 1, 2008, is governed by
6 the law as it existed immediately before the effective date of this
7 Act, and that law is continued in effect for that purpose.

8 (b) A health benefit plan issuer may not offer a cross
9 border health benefit plan, as defined by Chapter 1510, Insurance
10 Code, as added by this Act, before January 1, 2008.

11 SECTION 3.004. To the extent of any conflict, this Act
12 prevails over the Act of the 80th Legislature, Regular Session,
13 2007, relating to nonsubstantive additions to and corrections in
14 enacted codes (the general code update bill), and over the Act of
15 the 80th Legislature, Regular Session, 2007, relating to
16 nonsubstantive additions to and corrections in the Insurance Code
17 (update of the Insurance Code).

18 SECTION 3.005. This Act takes effect September 1, 2007.