

By: Rodriguez

H.B. No. 1369

A BILL TO BE ENTITLED

AN ACT

1
2 relating to unfair claim settlement practices by an insurer that
3 issues a preferred provider benefit plan.

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

5 SECTION 1. Section 541.060, Insurance Code, is amended by
6 adding Subsection (c) to read as follows:

7 (c) It is an unfair method of competition or an unfair or
8 deceptive act or practice in the business of insurance for an
9 insurer that issues a preferred provider benefit plan under Chapter
10 1301 to compute the insured's coinsurance for out-of-network
11 services otherwise available under the plan on an amount other than
12 the nonpreferred provider's billed charge.

13 SECTION 2. The change in law made by this Act applies only
14 to computation of coinsurance under a preferred provider benefit
15 plan delivered, issued for delivery, or renewed on or after the
16 effective date of this Act. Computation of coinsurance under a
17 preferred provider benefit plan delivered, issued for delivery, or
18 renewed before the effective date of this Act is governed by the law
19 in effect immediately before the effective date of this Act, and
20 that law is continued in effect for that purpose.

21 SECTION 3. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2009.