

By: Rodriguez

H.B. No. 1370

A BILL TO BE ENTITLED

AN ACT

relating to the use of certain insurance policy forms in connection with a preferred provider benefit plan.

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

SECTION 1. Section 1701.001, Insurance Code, is amended to read as follows:

Sec. 1701.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

(1) "Nonparticipating physician or health care provider" means a physician or other health care provider who is not a party under a contract to provide health care services through a provider network.

(2) "Provider network" means a health benefit plan issued by a preferred provider benefit plan issuer:

(A) under which health care services are provided to enrollees in the plan through contracts with physicians and other health care providers; and

(B) that requires those enrollees to use physicians and other health care providers participating in the plan and procedures covered by the plan for a different level of coverage.

(3) "Use" [~~"use"~~] includes issue and deliver.

SECTION 2. Section 1701.055, Insurance Code, is amended by adding Subsections (f) and (g) to read as follows:

(f) Notwithstanding Section 1301.003, the commissioner

1 shall find a policy form filed by an insurer for a preferred
2 provider benefit plan to be unjust and deceptive if the form does
3 not contain a provision that computes the enrollee's coinsurance
4 for health care services otherwise available under the plan that
5 are provided by nonparticipating physicians or health care
6 providers based on the billed charge of the nonparticipating
7 physician or health care provider.

8 (g) If the commissioner determines that use of a form that
9 does not comply with Subsection (f) poses an imminent threat to the
10 health, safety, or welfare of the residents of this state, the
11 commissioner may by order withdraw approval of the form under this
12 section without notice and hearing. The insurer shall cease using
13 the form immediately on receipt of notice of the order.

14 SECTION 3. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2009.