

By: Eiland

H.B. No. 2458

A BILL TO BE ENTITLED

AN ACT

relating to requiring insurers to offer conversion of group policies.

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

SECTION 1. Sections 1251.256(a) and (b), Insurance Code, are amended to read as follows:

(a) An insurer shall ~~may~~ offer a conversion policy to each employee, member, or dependent who is covered under a group accident and health insurance policy that is terminating.

(b) An ~~[If offered, an]~~ issuer shall issue a conversion policy without evidence of insurability if a written application for the policy and payment of the first premium are made not later than the 31st day after the date of termination.

SECTION 2. This Act applies only to an insurance policy or contract or evidence of coverage that is delivered, issued for delivery, or renewed on or after January 1, 2010. An insurance policy or contract or evidence of coverage delivered, issued for delivery, or renewed before January 1, 2010, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2009.