

By: Bolton

H.B. No. 3460

A BILL TO BE ENTITLED

AN ACT

1
2 relating to group health benefit plan coverage for certain mental
3 illnesses and the amount of the franchise tax incentive for certain
4 small employers that provide health care benefits to employees.

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

6 SECTION 1. Section 1355.003, Insurance Code, is amended to
7 read as follows:

8 Sec. 1355.003. EXCEPTION. [~~(a)~~] This subchapter does not
9 apply to coverage under:

10 (1) a blanket accident and health insurance policy, as
11 described by Chapter 1251;

12 (2) a short-term travel policy;

13 (3) an accident-only policy;

14 (4) a limited or specified-disease policy that does
15 not provide benefits for mental health care or similar services;

16 (5) [~~except as provided by Subsection (b), a plan~~
17 ~~offered under Chapter 1551 or Chapter 1601,~~

18 [~~(6)~~] a plan offered in accordance with Section
19 1355.151; or

20 (6) [~~(7)~~] a Medicare supplement benefit plan, as
21 defined by Section 1652.002.

22 [~~(b) For the purposes of a plan described by Subsection~~
23 ~~(a)(5), "serious mental illness" has the meaning assigned by~~
24 ~~Section 1355.001.]~~

1 SECTION 2. Section 1355.004, Insurance Code, is amended to
2 read as follows:

3 Sec. 1355.004. REQUIRED COVERAGE FOR SERIOUS MENTAL
4 ILLNESS; COVERAGE PARITY. (a) A group health benefit plan:

5 (1) must provide coverage, based on medical necessity,
6 for the diagnosis and treatment of a serious mental illness under
7 terms at least as favorable as those provided for the diagnosis and
8 treatment of medical and surgical conditions, and in no case [not]
9 less than the following treatments [~~of serious mental illness~~] in
10 each calendar year:

- 11 (A) 45 days of inpatient treatment; and
12 (B) 60 visits for outpatient treatment,
13 including group and individual outpatient treatment;

14 (2) may not include a lifetime limitation on the
15 number of days of inpatient treatment or the number of visits for
16 outpatient treatment covered under the plan; [~~and~~]

17 (3) must include the same amount limitations,
18 deductibles, copayments, and coinsurance factors for serious
19 mental illness as the plan includes for physical illness; and

20 (4) may not impose treatment limitations or financial
21 requirements on the provision of benefits under this subchapter for
22 a serious mental illness if identical limitations or requirements
23 are not imposed on coverage of benefits for other medical
24 conditions.

25 (b) A group health benefit plan issuer:

26 (1) may not count an outpatient visit for medication
27 management against the number of outpatient visits required to be

1 covered under Subsection (a)(1)(B); and

2 (2) must provide coverage for an outpatient visit
3 described by Subsection (a)(1)(B) under the same terms as the
4 coverage the issuer provides for an outpatient visit for the
5 treatment of physical illness.

6 SECTION 3. Section 171.1013(b-1), Tax Code, is amended to
7 read as follows:

8 (b-1) This subsection applies to a taxable entity that is a
9 small employer, as that term is defined by Section 1501.002,
10 Insurance Code, and that has not provided health care benefits to
11 any of its employees in the calendar year preceding the beginning
12 date of its reporting period. Subject to Section 171.1014, a
13 taxable entity to which this subsection applies that elects to
14 subtract compensation for the purpose of computing its taxable
15 margin under Section 171.101 may subtract health care benefits as
16 provided under Subsection (b) and may also subtract:

17 (1) for the first 12-month period on which margin is
18 based and in which the taxable entity provides health care benefits
19 to all of its employees, an additional amount equal to:

20 (A) 50 percent of the cost of health care
21 benefits that do not meet the requirements of Section 1355.004,
22 Insurance Code, provided to its employees for that period; or

23 (B) 75 percent of the cost of health care
24 benefits that meet the requirements of Section 1355.004, Insurance
25 Code, provided to its employees for that period; [~~and~~]

26 (2) for the second 12-month period on which margin is
27 based and in which the taxable entity provides health care benefits

1 to all of its employees, an additional amount equal to:

2 (A) 25 percent of the cost of health care
3 benefits that do not meet the requirements of Section 1355.004,
4 Insurance Code, provided to its employees for that period; or

5 (B) 50 percent of the cost of health care
6 benefits that meet the requirements of Section 1355.004, Insurance
7 Code, provided to its employees for that period; and

8 (3) for the third 12-month period on which margin is
9 based and in which the taxable entity provides health care benefits
10 to all of its employees, an additional amount equal to 25 percent of
11 the cost of health care benefits that meet the requirements of
12 Section 1355.004, Insurance Code, provided to its employees for
13 that period.

14 SECTION 4. The changes in law made by this Act by the
15 amendment of Sections 1355.003 and 1355.004, Insurance Code, apply
16 only to a group health benefit plan delivered, issued for delivery,
17 or renewed on or after January 1, 2010. A group health benefit plan
18 delivered, issued for delivery, or renewed before January 1, 2010,
19 is governed by the law as it existed immediately before the
20 effective date of this Act, and that law is continued in effect for
21 that purpose.

22 SECTION 5. The change in law made by this Act by the
23 amendment of Section 171.1013(b-1), Tax Code, applies only to a
24 report originally due on or after the effective date of this Act.

25 SECTION 6. This Act takes effect January 1, 2010.