

SENATE AMENDMENTS

2nd Printing

By: Oliveira, Guillen, et al.

H.B. No. 1290

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage for certain tests for the early detection of cardiovascular disease.

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

SECTION 1. Subtitle E, Title 8, Insurance Code, is amended by adding Chapter 1376 to read as follows:

CHAPTER 1376. CERTAIN TESTS FOR EARLY DETECTION OF CARDIOVASCULAR DISEASE

Sec. 1376.001. APPLICABILITY OF CHAPTER. (a) This chapter applies only to a health benefit plan that:

(1) provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including:

(A) an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage that is offered by:

(i) an insurance company;

(ii) a group hospital service corporation operating under Chapter 842;

(iii) a fraternal benefit society operating under Chapter 885;

(iv) a Lloyd's plan operating under Chapter 941;

(v) a stipulated premium company operating under Chapter 884; or

(vi) a health maintenance organization operating under Chapter 843;

(B) to the extent permitted by the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), a health benefit plan that is offered by:

(i) a multiple employer welfare arrangement as defined by Section 3 of that Act (29 U.S.C. Section 1002); or

(ii) another analogous benefit arrangement;

(C) a small employer health benefit plan written under Chapter 1501; or

(D) a Medicare supplemental policy as defined by Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss);

(2) is offered by an approved nonprofit health corporation operating under Chapter 844; or

(3) provides health and accident coverage through a risk pool created under Chapter 172, Local Government Code, notwithstanding Section 172.014, Local Government Code.

(b) Notwithstanding any provision in Chapter 1601 or any other law, this chapter applies to basic coverage under Chapter 1601.

Sec. 1376.002. EXCEPTIONS. This chapter does not apply to:

(1) a plan that provides coverage:

(A) only for a specified disease or other limited benefit;

1 (B) only for accidental death or dismemberment;

2 (C) for wages or payments in lieu of wages for a
3 period during which an employee is absent from work because of
4 sickness or injury;

5 (D) as a supplement to a liability insurance
6 policy; or

7 (E) only for indemnity for hospital confinement;

8 (2) a standard health benefit plan issued under
9 Chapter 1507;

10 (3) a workers' compensation insurance policy;

11 (4) medical payment insurance coverage provided under
12 a motor vehicle insurance policy; or

13 (5) a long-term care policy, including a nursing home
14 fixed indemnity policy, unless the commissioner determines that the
15 policy provides benefit coverage so comprehensive that the policy
16 is a health benefit plan as described by Section 1376.001.

17 Sec. 1376.003. MINIMUM COVERAGE REQUIRED. (a) A health
18 benefit plan that provides coverage for screening medical
19 procedures must provide the minimum coverage required by this
20 section to each covered individual:

21 (1) who is:

22 (A) a male older than 45 years of age and younger
23 than 76 years of age; or

24 (B) a female older than 55 years of age and
25 younger than 76 years of age; and

26 (2) who:

27 (A) is diabetic; or

1 (B) has a risk of developing coronary heart
2 disease, based on a score derived using the Framingham Heart Study
3 coronary prediction algorithm, that is intermediate or higher.

4 (b) The minimum coverage required to be provided under this
5 section is coverage of up to \$200 for one of the following
6 noninvasive screening tests for atherosclerosis and abnormal
7 artery structure and function every five years, performed by a
8 laboratory that is certified by a national organization recognized
9 by the commissioner by rule for the purposes of this section:

10 (1) computed tomography (CT) scanning measuring
11 coronary artery calcification; or

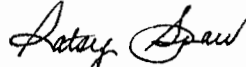
12 (2) ultrasonography measuring carotid intima-media
13 thickness and plaque.

14 SECTION 2. The change in law made by this Act applies only
15 to a health benefit plan delivered, issued for delivery, or renewed
16 on or after January 1, 2010. A health benefit plan delivered,
17 issued for delivery, or renewed before January 1, 2010, is governed
18 by the law in effect immediately before the effective date of this
19 Act, and that law is continued in effect for that purpose.

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

ADOPTED

MAY 23 2009


Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY: 

Amend H.B. 1290 as follows by adding the following new sections and renumbering subsequent sections appropriately:

SECTION _____. Subchapter E, Chapter 1551, Insurance Code, is amended by adding Section 1551.225 to read as follows:

Sec. 1551.225. BARIATRIC SURGERY COVERAGE. (a) The board of trustees shall develop a cost-neutral or cost-positive plan for providing under the group benefits program bariatric surgery coverage for employees eligible to participate in the program under Section 1551.101.

(b) The board of trustees may adopt rules as necessary to implement this section.

SECTION _____. The board of trustees of the Employees Retirement System of Texas shall implement the plan required by Section 1551.225, Insurance Code, as added by this Act, as soon as practicable, but not later than September 1, 2010.

ADOPTED

MAY 23 2009

Kathy Spaul
Secretary of the Senate

COMMITTEE AMENDMENT NO. 1

BY: *Lurio*

1 Amend H.B. No. 1290 (house engrossment) in SECTION 1 of the
2 bill, by striking Section 1376.001(1)(B) (page 2, lines 5 through
3 11) and substituting the following:

4 (B) a health benefit plan that is offered by a
5 multiple employer welfare arrangement that holds a certificate of
6 authority under Chapter 846;

ADOPTED

MAY 23 2009

Lotay Spaw
Secretary of the Senate

COMMITTEE AMENDMENT NO. 2

BY: *Lucie*

1 Amend H.B. No. 1290 (house engrossment) in SECTION 1 of the
2 bill, by striking Sec. 1376.001 (D)(3) (page 2, lines 18 through 20).
3 20).

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1290 by Oliveira (Relating to health benefit plan coverage for certain tests for the early detection of cardiovascular disease.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Subtitle E, Title 8 of the Insurance Code by adding Chapter 1376, which would require certain health plans to provide minimum required coverage of up to \$200 every five years for early detection screening tests of cardiovascular disease. The bill would take effect September 1, 2009, and would apply to all health plans delivered or renewed on or after January 1, 2010.

The University of Texas System Administration indicates that there would be some cost to implement the provisions of the bill, but the costs are expected to be absorbed within the agency's existing budget. It is assumed that any costs realized by the Employee Retirement System, Teachers Retirement System, and Texas A&M System Administration from implementing the provisions of the bill could be absorbed within existing resources.

The Texas Department of Insurance (TDI) indicates that there would be a one-time revenue gain of \$40,900 in the General Revenue Dedicated Account Fund 36 in fiscal year 2010 because the bill would result in filings of amendments to reflect this change of law by insurers. Since General Revenue Dedicated Account Fund 36 is a self-leveling account, this analysis assumes all revenue would go toward fund balances or the maintenance tax would be set to recover a lower level of revenue the following year. It is also assumed that any costs realized by TDI from implementing the provisions of the bill could be absorbed within existing resources.

The bill would amend Subchapter E, Chapter 1551, Insurance Code by adding Section 1551.225 to require the Employees Retirement System (ERS) Board of Trustees to develop a cost-neutral or cost-positive plan for providing bariatric surgery under the group benefits program. The bill would require the Group Benefits Program (GBP) health plan, HealthSelect, to make coverage for bariatric surgery available to enrollees as long as the benefit is cost-neutral or cost-positive to the plan, meaning the benefit would not increase healthcare costs to the GBP.

ERS reports that in order to achieve cost-neutral or cost-positive results, some examples of potential benefits designs would include, but not be limited to: (a) availability to employees who have been covered under the HealthSelect portion of the GBP continuously for 5 years prior to the surgery; (b) adherence to guidelines established by the GBP's Third Party Administrator (TPA) including, but not limited to, a Body Mass Index (BMI) of 40 or more, or a BMI of 35 or more with at least 1 co-morbidity, and participation in a medically supervised weight loss program and failure at least 1 year prior to the surgery; (c) services would be required to be performed at a Center of Distinction, as defined by the TPA; (d) benefits would be subject to a separate deductible and co-insurance rate; (e) expenses would not be applied against the employee's annual out-of-pocket limit; (f) benefits would be limited to in-network only and no coverage would be available out-of-network or through a non-contracted facility or physician; and (g) surgery would only be allowed once in the lifetime of a member.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JOB, KJG, MW, CH, DEH

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 19, 2009

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1290 by Oliveira (Relating to health benefit plan coverage for certain tests for the early detection of cardiovascular disease.), **Committee Report 2nd House, As Amended**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to require certain health plans to provide minimum required coverage of up to \$200 every five years for early detection screening tests of cardiovascular disease. The bill would take effect September 1, 2009, and would apply to all health plans delivered or renewed on or after January 1, 2010.

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It is assumed that any costs realized by the Employee Retirement System, Teachers Retirement System, and Texas A&M System Administration from implementing the provisions of the bill could be absorbed within existing resources.

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Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JOB, KJG, MW, CH

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 15, 2009

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1290 by Oliveira (Relating to health benefit plan coverage for certain tests for the early detection of cardiovascular disease.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to require certain health plans to provide minimum required coverage of up to \$200 every five years for early detection screening tests of cardiovascular disease. The bill would take effect September 1, 2009, and would apply to all health plans delivered or renewed on or after January 1, 2010.

The University of Texas System Administration indicates that there would be some cost to implement the provisions of the bill, but the costs are expected to be absorbed within the agency's existing budget.

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LBB Staff: JOB, KJG, MW, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 25, 2009

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1290 by Oliveira (Relating to health benefit plan coverage for certain tests for the early detection of cardiovascular disease.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to require certain health plans to provide minimum required coverage of up to \$200 every five years for early detection screening tests of cardiovascular disease. The bill would take effect September 1, 2009, and would apply to all health plans delivered or renewed on or after January 1, 2010.

The University of Texas System Administration indicates that there would be some cost to implement the provisions of the bill, but the costs are expected to be absorbed within the agency's existing budget.

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Local Government Impact

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Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 454 Department of Insurance, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

LBB Staff: JOB, KJG, MW, CH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 9, 2009

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1290 by Oliveira (Relating to health benefit plan coverage for certain tests for the early detection of cardiovascular disease.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code to require certain health plans to provide minimum required coverage of up to \$200 every five years for early detection screening tests of cardiovascular disease. The bill would take effect September 1, 2009, and would apply to all health plans delivered or renewed on or after January 1, 2010.

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