

By: Patrick

S.B. No. 515

A BILL TO BE ENTITLED

AN ACT

relating to required individual health insurance coverage.

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

SECTION 1. Subtitle A, Title 8, Insurance Code, is amended by adding Chapter 1220 to read as follows:

CHAPTER 1220. INDIVIDUAL HEALTH INSURANCE COVERAGE NOT REQUIRED

Sec. 1220.001. COVERAGE MANDATE PROHIBITED; EXCEPTIONS.

(a) Except as provided by Subsections (b) and (c), an individual may not be required to obtain or maintain coverage under an individual health insurance policy.

(b) Subsection (a) does not apply to an individual who is required to obtain or maintain health benefit plan coverage:

(1) by an institution of higher education at which the individual is or will be enrolled as a student; or

(2) under an order requiring medical support for a child.

(c) Subsection (a) does not apply to an individual voluntarily applying for benefits under a state-administered program under Title XIX, Social Security Act (42 U.S.C. Section 1396 et seq.), or Title XXI, Social Security Act (42 U.S.C. Section 1397aa et seq.).

Sec. 1220.002. PENALTY PROHIBITED. (a) Except as provided by Subsection (b), a fine or penalty may not be imposed on an individual if the individual chooses not to obtain or maintain

1 coverage under an individual health insurance policy.

2 (b) Subsection (a) does not apply to a fine or penalty  
3 imposed on an individual described in Section 1220.001(b) for the  
4 individual's failure to obtain or maintain health benefit plan  
5 coverage.

6 SECTION 2. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2011.