

By: Faircloth

H.B. No. 3381

A BILL TO BE ENTITLED

AN ACT

relating to submission and payment of claims under long-term care benefit plans; imposing a penalty.

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

SECTION 1. Subchapter B, Chapter 1651, Insurance Code, is amended by adding Sections 1651.057, 1651.058, and 1651.059 to read as follows:

Sec. 1651.057. SUBMISSION OF CLAIM. An individual covered by a long-term care benefit plan may submit a claim under the plan to the plan issuer by:

(1) mailing the claim by United States mail, first class, or by overnight delivery service;

(2) submitting the claim electronically;

(3) faxing the claim; or

(4) hand delivering the claim.

Sec. 1651.058. RECEIPT OF CLAIM. (a) If a claim under a long-term care benefit plan is mailed, the claim is presumed to have been received by the plan issuer on the fifth day after the date the claim is mailed or, if the claim is mailed using overnight service or a return receipt is requested, on the date the delivery receipt is signed.

(b) If the claim is submitted electronically, the claim is presumed to have been received on the date of transmission.

(c) If the claim is faxed, the claim is presumed to have been

1 received on the date of the transmission acknowledgment.

2 (d) If the claim is hand delivered, the claim is presumed to
3 have been received on the date the delivery receipt is signed.

4 Sec. 1651.059. PAYMENT OF CLAIM; PENALTY. (a) A long-term
5 care benefit plan issuer shall pay a claim for which the covered
6 individual is entitled to payment under the terms of the plan not
7 later than the 30th day after the date the plan issuer receives the
8 claim.

9 (b) A long-term care benefit plan issuer that violates
10 Subsection (a) shall pay to the covered individual the amount the
11 plan issuer owes on the claim plus a penalty in the amount of \$500.

12 SECTION 2. Sections 1651.057, 1651.058, and 1651.059,
13 Insurance Code, as added by this Act, apply only to a claim
14 submitted on or after the effective date of this Act. A claim
15 submitted before the effective date of this Act is governed by the
16 law as it existed immediately before that date, and that law is
17 continued in effect for that purpose.

18 SECTION 3. This Act takes effect September 1, 2015.