

By: Thompson of Brazoria

H.B. No. 3851

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the waiving of insurance deductibles and other
3 manipulation of charges in the insurance claims process, creating
4 an offense.

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

6 SECTION 1. The heading to Section 27.02, Business and
7 Commerce Code, is amended to read as follows:

8 Sec. 27.02. WAIVING OF DEDUCTIBLES AND OTHER MANIPULATION
9 OF CHARGES IN INSURANCE CLAIMS ~~CERTAIN INSURANCE CLAIMS FOR~~
10 ~~EXCESSIVE CHARGES~~

11 SECTION 2. Sections 27.02(a) and (b), Business and Commerce
12 Code, are amended to read as follows:

13 (a) A person who provides ~~sells~~ goods or services and is
14 wholly or partially compensated with payments arising from a claim
15 under a property or casualty insurance policy commits an offense
16 if:

17 (1) the person advertises or promises to ~~provide the~~
18 ~~good or service and to pay,~~ waive, absorb, rebate, subsidize,
19 credit, or otherwise cover for any reason [~~+~~

20 [~~(A)~~] all or part of any applicable insurance
21 deductible or other uninsured amount owed by an insured under the
22 terms of the applicable policy; [~~or~~

23 [~~(B) a rebate in an amount equal to all or part of~~
24 ~~any applicable insurance deductible;~~]

1 ~~(2) the good or service is paid for by the consumer~~
2 ~~from proceeds of a property or casualty insurance policy; and~~

3 (2~~3~~) the person knowingly provides or causes to be
4 provided to an insurer any estimate or other statement as to the
5 cost of repair for the good or service provided that has been
6 increased, inflated, or otherwise manipulated [~~charges an amount~~
7 ~~for the good or service that exceeds the usual and customary charge~~
8 ~~by the person for the good or service]~~ by an amount equal to or
9 greater than all or part of the applicable insurance deductible or
10 other uninsured amount owed by an insured under the terms of the
11 applicable policy paid by the person to an insurer on behalf of an
12 ~~insured or remitted to an insured by the person as a rebate.~~

13 (b) A person who is insured under a property or casualty
14 insurance policy commits an offense if the person:

15 (1) knowingly submits a claim under the policy based
16 on conduct ~~charges that are~~ in violation of Subsection (a) of this
17 section; or

18 (2) knowingly allows a claim in violation of
19 Subsection (a) of this section to be submitted, unless the person
20 promptly notifies the insurer of the conduct in violation of
21 Subsection (a) ~~excessive charges.~~

22 (c) An offense under this section is a Class A
23 misdemeanor.

24 SECTION 2. This Act takes effect September 1, 2015.