

BILL ANALYSIS

S.B. 20
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State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to interested parties, a number of states have exercised their authority under the federal Patient Protection and Affordable Care Act to prohibit abortion coverage in qualified health plans offered through a federally mandated health benefit exchange and suggest that Texas should do the same. S.B. 20 seeks to so prohibit and to provide for supplemental insurance coverage for abortions under certain conditions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 20 amends the Insurance Code to prohibit a qualified health plan offered through a health benefit exchange administered by the federal government or created under the federal Patient Protection and Affordable Care Act from providing coverage for an abortion other than coverage for an abortion performed due to a medical emergency. That prohibition expressly does not prevent a person from purchasing optional or supplemental coverage for abortions under a health benefit plan other than a qualified health plan offered through a health benefit exchange.

S.B. 20 authorizes an applicable health benefit plan to provide coverage for abortion only if the coverage is provided to an enrollee separately from other health benefit plan coverage offered by the health benefit plan issuer; an enrollee pays separately from, and in addition to, the premium for other health benefit plan coverage a premium for coverage for abortion; an enrollee provides a signature for coverage for abortion, separately and distinct from the signature required for other health benefit plan coverage offered by the health benefit plan issuer; or the coverage provides benefits only for an abortion performed due to a medical emergency.

S.B. 20 requires a health benefit plan issuer that provides coverage for abortion to calculate the premium for the coverage so that the premium fully covers the estimated cost of abortion per enrollee, determined on an actuarial basis. The bill prohibits the plan issuer, in calculating such a premium, from taking into account any cost savings in other health benefit plan coverage offered by the health benefit plan issuer that is estimated to result from coverage for abortion. The bill prohibits a plan issuer that provides coverage other than coverage for abortion from providing a premium discount to or reducing the premium for an enrollee for coverage other than coverage for abortion on the basis that the enrollee has health benefit plan coverage for abortion.

S.B. 20 requires a health benefit plan issuer that provides coverage for abortion, at the time of enrollment in the health benefit plan, to provide each enrollee with a notice that coverage for abortion is optional and separate from other health benefit plan coverage offered by the health benefit plan issuer, that the premium cost for coverage for abortion is a premium paid separately from, and in addition to, the premium for other health benefit plan coverage offered by the health benefit plan issuer, and that the enrollee may enroll in a health benefit plan that provides coverage other than coverage for abortion without obtaining coverage for abortion.

S.B. 20 applies only to a qualified health plan offered through a health benefit exchange or a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2018.

EFFECTIVE DATE

September 1, 2017.