

By: Anderson of Dallas, Davis of Harris,
Howard, Oliverson, Bernal, et al.

H.B. No. 490

Substitute the following for H.B. No. 490:

By: Phillips

C.S.H.B. No. 490

A BILL TO BE ENTITLED

1 AN ACT
2 relating to health benefit plan coverage of hearing aids and
3 cochlear implants for certain individuals.

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

5 SECTION 1. Chapter 1367, Insurance Code, is amended by
6 adding Subchapter F to read as follows:

7 SUBCHAPTER F. HEARING AIDS AND COCHLEAR IMPLANTS

8 Sec. 1367.251. APPLICABILITY OF SUBCHAPTER. (a) This
9 subchapter applies only to a health benefit plan, including a small
10 employer health benefit plan written under Chapter 1501 or coverage
11 provided through a health group cooperative under Subchapter B of
12 that chapter, that provides benefits for medical or surgical
13 expenses incurred as a result of a health condition, accident, or
14 sickness, including an individual, group, blanket, or franchise
15 insurance policy or insurance agreement, a group hospital service
16 contract, or an individual or group evidence of coverage or similar
17 coverage document that is offered by:

18 (1) an insurance company;

19 (2) a group hospital service corporation operating
20 under Chapter 842;

21 (3) a fraternal benefit society operating under
22 Chapter 885;

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

24 (5) a stipulated premium insurance company operating

1 under Chapter 884;

2 (6) a reciprocal exchange operating under Chapter 942;

3 (7) a health maintenance organization operating under
4 Chapter 843;

5 (8) a multiple employer welfare arrangement that holds
6 a certificate of authority under Chapter 846; or

7 (9) an approved nonprofit health corporation that
8 holds a certificate of authority under Chapter 844.

9 (b) This subchapter applies to coverage under a group health
10 benefit plan described by Subsection (a) provided to a resident of
11 this state, regardless of whether the group policy, agreement, or
12 contract is delivered, issued for delivery, or renewed within or
13 outside this state.

14 (c) This subchapter applies to a self-funded health benefit
15 plan sponsored by a professional employer organization under
16 Chapter 91, Labor Code.

17 (d) Notwithstanding Section 22.409, Business Organizations
18 Code, or any other law, this subchapter applies to health benefits
19 provided by or through a church benefits board under Subchapter I,
20 Chapter 22, Business Organizations Code.

21 (e) Notwithstanding Section 75.104, Health and Safety Code,
22 or any other law, this subchapter applies to a regional or local
23 health care program operated under that section.

24 (f) Notwithstanding any other law, a standard health
25 benefit plan provided under Chapter 1507 must provide the coverage
26 required by this subchapter.

27 (g) Notwithstanding any provision in Chapter 1551, 1575,

1 1579, or 1601 or any other law, this subchapter applies to:

2 (1) a basic coverage plan under Chapter 1551;

3 (2) a basic plan under Chapter 1575;

4 (3) a primary care coverage plan under Chapter 1579;

5 and

6 (4) basic coverage under Chapter 1601.

7 Sec. 1367.252. EXCEPTION. This subchapter does not apply
8 to:

9 (1) a plan that provides coverage:

10 (A) for wages or payments in lieu of wages for a
11 period during which an employee is absent from work because of
12 sickness or injury;

13 (B) as a supplement to a liability insurance
14 policy;

15 (C) for credit insurance;

16 (D) only for dental or vision care;

17 (E) only for hospital expenses; or

18 (F) only for indemnity for hospital confinement;

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

21 (3) a workers' compensation insurance policy;

22 (4) medical payment insurance coverage provided under
23 a motor vehicle insurance policy;

24 (5) a long-term care policy, including a nursing home
25 fixed indemnity policy, unless the commissioner determines that the
26 policy provides benefit coverage so comprehensive that the policy
27 is a health benefit plan as described by Section 1367.251; or

1 (6) the state Medicaid program, including the Medicaid
2 managed care program operated under Chapter 533, Government Code.

3 Sec. 1367.253. COVERAGE REQUIRED. (a) A health benefit
4 plan must provide coverage for the cost of a medically necessary
5 hearing aid or cochlear implant and related services and supplies
6 for a covered individual who is 18 years of age or younger.

7 (b) Coverage required under this section:

8 (1) must include:

9 (A) fitting and dispensing services and the
10 provision of ear molds as necessary to maintain optimal fit of
11 hearing aids;

12 (B) any treatment related to hearing aids and
13 cochlear implants, including coverage for habilitation and
14 rehabilitation as necessary for educational gain; and

15 (C) for a cochlear implant, an external speech
16 processor and controller with necessary components replacement
17 every three years; and

18 (2) is limited to:

19 (A) one hearing aid in each ear every three
20 years; and

21 (B) one cochlear implant in each ear with
22 internal replacement as medically or audiological necessary.

23 (c) Except as provided by Subsection (b), coverage required
24 under this section:

25 (1) may not be less favorable than coverage for
26 physical illness generally under the plan; and

27 (2) must be subject to durational limits and

1 coinsurance factors no less favorable than coverage provided for
2 physical illness generally under the plan.

3 (d) This section does not apply to a qualified health plan
4 defined by 45 C.F.R. Section 155.20 if a determination is made under
5 45 C.F.R. Section 155.170 that:

6 (1) this subchapter requires the plan to offer
7 benefits in addition to the essential health benefits required
8 under 42 U.S.C. Section 18022(b); and

9 (2) this state must make payments to defray the cost of
10 the additional benefits mandated by this subchapter.

11 SECTION 2. The change in law made by this Act applies only
12 to a health benefit plan delivered, issued for delivery, or renewed
13 on or after January 1, 2018. A health benefit plan delivered,
14 issued for delivery, or renewed before January 1, 2018, is governed
15 by the law as it existed immediately before the effective date of
16 this Act, and that law is continued in effect for that purpose.

17 SECTION 3. This Act takes effect September 1, 2017.