By: Gervin-Hawkins H.B. No. 217

Substitute the following for H.B. No. 217:

By: Lucio III C.S.H.B. No. 217

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to health benefit plan coverage for hair prostheses for

- 3 cancer patients.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. The heading to Chapter 1371, Insurance Code, is
- 6 amended to read as follows:
- 7 CHAPTER 1371. COVERAGE FOR CERTAIN PROSTHETIC DEVICES AND OTHER
- 8 PROSTHESES, ORTHOTIC DEVICES, AND RELATED SERVICES
- 9 SECTION 2. Chapter 1371, Insurance Code, is amended by
- 10 designating Sections 1371.001 and 1371.002 as Subchapter A and
- 11 adding a subchapter heading to read as follows:
- 12 <u>SUBCHAPTER A. GENERAL PROVISIONS</u>
- 13 SECTION 3. Chapter 1371, Insurance Code, is amended by
- 14 designating Sections 1371.003 through 1371.005 as Subchapter B and
- 15 adding a subchapter heading to read as follows:
- 16 SUBCHAPTER B. PROSTHETIC DEVICES, ORTHOTIC DEVICES, AND RELATED
- 17 SERVICES
- 18 SECTION 4. Sections 1371.003(b), (c), and (e), Insurance
- 19 Code, are amended to read as follows:
- 20 (b) Covered benefits under this <u>subchapter</u> [chapter] are
- 21 limited to the most appropriate model of prosthetic device or
- 22 orthotic device that adequately meets the medical needs of the
- 23 enrollee as determined by the enrollee's treating physician or
- 24 podiatrist and prosthetist or orthotist, as applicable.

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- 1 (c) Subject to applicable copayments and deductibles, the 2 repair and replacement of a prosthetic device or orthotic device is 3 a covered benefit under this <u>subchapter</u> [chapter] unless the repair 4 or replacement is necessitated by misuse or loss by the enrollee.
- (e) Covered benefits under this <u>subchapter</u> [chapter] may be provided by a pharmacy that has employees who are qualified under the Medicare system and applicable Medicaid regulations to service and bill for orthotic services. This <u>subchapter</u> [chapter] does not preclude a pharmacy from being reimbursed by a health benefit plan for the provision of orthotic services.
- 11 SECTION 5. Section 1371.005, Insurance Code, is amended to 12 read as follows:
- Sec. 1371.005. MANAGED CARE PLAN. A health benefit plan 13 14 provider may require that, if coverage is provided through a 15 managed care plan, the benefits mandated under this subchapter [chapter] are covered benefits only if the prosthetic devices or 16 17 orthotic devices are provided by a vendor or a provider, and related services are rendered by a provider, that contracts with or is 18 designated by the health benefit plan provider. 19 If the health benefit plan provider provides in-network and out-of-network 20 services, the coverage for prosthetic devices or orthotic devices 21 provided through out-of-network services must be comparable to that 22 23 provided through in-network services.
- SECTION 6. Chapter 1371, Insurance Code, is amended by adding Subchapter C to read as follows:
- 26 <u>SUBCHAPTER C. HAIR PROSTHESES FOR CANCER PATIENTS</u>
- 27 Sec. 1371.051. APPLICABILITY OF SUBCHAPTER. (a) In

- 1 addition to a health benefit plan subject to this chapter under
- 2 Section 1371.002, this subchapter applies to a health benefit plan
- 3 that provides benefits for medical or surgical expenses incurred as
- 4 a result of a health condition, accident, or sickness, including an
- 5 individual or group evidence of coverage or similar coverage
- 6 document that is issued by an approved nonprofit health corporation
- 7 that holds a certificate of authority under Chapter 844.
- 8 (b) Notwithstanding any other law, this subchapter applies
- 9 <u>to:</u>
- 10 (1) a standard health benefit plan issued under
- 11 Chapter 1507;
- 12 (2) health benefits provided by or through a church
- 13 benefits board under Subchapter I, Chapter 22, Business
- 14 Organizations Code;
- 15 (3) group health coverage made available by a school
- 16 <u>district in accordance with Section 22.004</u>, Education Code;
- 17 (4) the state Medicaid program, including the Medicaid
- 18 managed care program operated under Chapter 533, Government Code;
- 19 (5) the child health plan program under Chapter 62,
- 20 Health and Safety Code;
- 21 (6) a regional or local health care program operated
- 22 under Section 75.104, Health and Safety Code; and
- 23 (7) a self-funded health benefit plan sponsored by a
- 24 professional employer organization under Chapter 91, Labor Code.
- 25 (c) This subchapter applies to coverage under a group health
- 26 benefit plan provided to a resident of this state regardless of
- 27 whether the group policy, agreement, or contract is delivered,

- 1 <u>issued for delivery</u>, or renewed in this state.
- 2 Sec. 1371.052. CONDITIONAL EXCEPTION. This subchapter does
- 3 not apply to a qualified health plan if a determination is made
- 4 under 45 C.F.R. Section 155.170 that:
- 5 (1) this subchapter requires the plan to offer
- 6 benefits in addition to the essential health benefits required
- 7 under 42 U.S.C. Section 18022(b); and
- 8 (2) this state is required to defray the cost of the
- 9 benefits mandated under this subchapter.
- Sec. 1371.053. REQUIRED COVERAGE FOR HAIR PROSTHESES FOR
- 11 CERTAIN CANCER PATIENTS. (a) A health benefit plan must provide
- 12 coverage for:
- 13 (1) a hair prosthesis:
- 14 (A) for an enrollee who is undergoing or has
- 15 <u>undergone medical treatment for cancer; and</u>
- 16 (B) determined by the enrollee's treating
- 17 physician to be appropriate for the enrollee in connection with the
- 18 side effects of the treatment described by Paragraph (A); and
- 19 (2) repair or replacement of a hair prosthesis
- 20 described by Subdivision (1) unless the repair or replacement is
- 21 necessitated by misuse or loss by the enrollee.
- (b) The benefit amount for the coverage required under
- 23 Subsection (a) must be \$100 for a hair prosthesis or the repair or
- 24 replacement of a hair prosthesis.
- 25 (c) An additional premium may not be charged for the
- 26 coverage required by Subsection (a).
- 27 (d) Coverage required under Subsection (a) may be subject to

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- 1 the annual deductibles, copayments, and coinsurance that are
- 2 consistent with annual deductibles, copayments, and coinsurance
- 3 for other coverage under the health benefit plan.
- 4 SECTION 7. If before implementing any provision of this Act
- 5 a state agency determines that a waiver or authorization from a
- 6 federal agency is necessary for implementation of that provision,
- 7 the agency affected by the provision shall request the waiver or
- 8 authorization and may delay implementing that provision until the
- 9 waiver or authorization is granted.
- 10 SECTION 8. Subchapter C, Chapter 1371, Insurance Code, as
- 11 added by this Act, applies only to a health benefit plan that is
- 12 delivered, issued for delivery, or renewed on or after January 1,
- 13 2020. A health benefit plan delivered, issued for delivery, or
- 14 renewed before January 1, 2020, is governed by the law as it existed
- 15 immediately before the effective date of this Act, and that law is
- 16 continued in effect for that purpose.
- 17 SECTION 9. This Act takes effect September 1, 2019.