By: Martinez Fischer H.B. No. 2114

A BILL TO BE ENTITLED

AN ACT

relating to health benefit plan coverage of preexisting conditions.

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

SECTION 1. Subtitle G, Title 8, Insurance Code, is amended by adding Chapter 1509 to read as follows:

CHAPTER 1509. COVERAGE OF PREEXISTING CONDITIONS

Sec. 1509.001. DEFINITION. In this chapter, "preexisting condition" means a condition present before the effective date of an individual's coverage under a health benefit plan.

Sec. 1509.002. APPLICABILITY OF CHAPTER. (a) This chapter applies only to a health benefit plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is offered by:

(1) an insurance company;

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

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

(4) an approved nonprofit health corporation that holds a certificate of authority under Chapter 844;

(5) a multiple employer welfare arrangement that holds

1 a certificate of authority under Chapter 846;
2 (6) a stipulated premium company operating under
3 Chapter 884;
4 (7) a fraternal benefit society operating under
5 Chapter 885;
6 (8) a Lloyd's plan operating under Chapter 941; or
7 (9) an exchange operating under Chapter 942.
8 (b) Notwithstanding any other law, this chapter applies to:
9 (1) a small employer health benefit plan subject to
10 Chapter 1501, including coverage provided through a health group
11 cooperative under Subchapter B of that chapter;
12 (2) a standard health benefit plan issued under
13 Chapter 1507;
14 (3) a basic coverage plan under Chapter 1551;
15 (4) a basic plan under Chapter 1575;
16 (5) a primary care coverage plan under Chapter 1579;
17 (6) a plan providing basic coverage under Chapter
18 1601;
19 (7) health benefits provided by or through a church
20 benefits board under Subchapter I, Chapter 22, Business
21 Organizations Code;
22 (8) group health coverage made available by a school
23 district in accordance with Section 22.004, Education Code;
24 (9) the state Medicaid program, including the Medicaid
25 managed care program operated under Chapter 533, Government Code;
26 (10) the child health plan program under Chapter 62,
27 Health and Safety Code;

(11) a regional or local health care program operated under Section 75.104, Health and Safety Code;

(12) a self-funded health benefit plan sponsored by a professional employer organization under Chapter 91, Labor Code;

(13) county employee group health benefits provided under Chapter 157, Local Government Code; and

(14) health and accident coverage provided by a risk pool created under Chapter 172, Local Government Code.

(c) This chapter applies to coverage under a group health benefit plan provided to a resident of this state regardless of whether the group policy, agreement, or contract is delivered, issued for delivery, or renewed in this state.

Sec. 1509.003. EXCEPTIONS. (a) This chapter does not apply to:

(1) a plan that provides coverage:

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

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

(C) for credit insurance;

(D) only for dental or vision care;

(E) only for hospital expenses; or

(F) only for indemnity for hospital confinement;

(2) a workers' compensation insurance policy; or

(3) medical payment insurance coverage provided under a motor vehicle insurance policy.

1 (b) This chapter does not apply to an individual health
2 benefit plan issued on or before March 23, 2010, that has not had
3 any significant changes since that date that reduce benefits or
4 increase costs to the individual.
5 Sec. 1509.004. PREEXISTING CONDITION RESTRICTIONS
6 PROHIBITED. Notwithstanding any other law, a health benefit plan
7 issuer may not:
8 (1) deny coverage to or refuse to enroll an individual
9 in a health benefit plan on the basis of a preexisting condition;
10 (2) limit or exclude coverage under the health benefit
11 plan for treatment of the individual's preexisting condition
12 otherwise covered under the plan; or
13 (3) charge the individual more for coverage than the
14 health benefit plan issuer charges an individual who does not have a
15 preexisting condition.
16 SECTION 2. If before implementing any provision of this Act
17 a state agency determines that a waiver or authorization from a
18 federal agency is necessary for implementation of that provision,
19 the agency affected by the provision shall request the waiver or
20 authorization and may delay implementing that provision until the
21 waiver or authorization is granted.
22 SECTION 3. The change in law made by this Act applies only
23 to a health benefit plan that is delivered, issued for delivery, or
24 renewed on or after January 1, 2020. A health benefit plan that is
25 delivered, issued for delivery, or renewed before January 1, 2020,
26 is governed by the law as it existed immediately before the
27 effective date of this Act, and that law is continued in effect for

1 that purpose.

2 SECTION 4. This Act takes effect September 1, 2019.