

1 AN ACT

2 relating to the renewal of a preauthorization for a medical or  
3 health care service.

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

5 SECTION 1. Subtitle A, Title 8, Insurance Code, is amended  
6 by adding Chapter 1222 to read as follows:

7 CHAPTER 1222. PREAUTHORIZATION FOR MEDICAL OR HEALTH CARE SERVICE

8 Sec. 1222.0001. DEFINITIONS. In this chapter:

9 (1) "Health benefit plan" means a plan to which this  
10 chapter applies under Section 1222.0002.

11 (2) "Health benefit plan issuer" means an entity  
12 authorized under this code or another insurance law of this state  
13 that provides health insurance or health benefits in this state.

14 (3) "Preauthorization" has the meaning assigned by  
15 Section 1301.001.

16 Sec. 1222.0002. APPLICABILITY OF CHAPTER. (a) This  
17 chapter applies only to a health benefit plan that provides  
18 benefits for medical or surgical expenses incurred as a result of a  
19 health condition, accident, or sickness, including an individual,  
20 group, blanket, or franchise insurance policy or insurance  
21 agreement, a group hospital service contract, or an individual or  
22 group evidence of coverage or similar coverage document that is  
23 issued by:

24 (1) an insurance company;

- 1           (2) a group hospital service corporation operating  
2 under Chapter 842;
- 3           (3) a health maintenance organization operating under  
4 Chapter 843;
- 5           (4) an approved nonprofit health corporation that  
6 holds a certificate of authority under Chapter 844;
- 7           (5) a multiple employer welfare arrangement that holds  
8 a certificate of authority under Chapter 846;
- 9           (6) a stipulated premium company operating under  
10 Chapter 884;
- 11           (7) a fraternal benefit society operating under  
12 Chapter 885;
- 13           (8) a Lloyd's plan operating under Chapter 941; or  
14           (9) an exchange operating under Chapter 942.
- 15       (b) Notwithstanding any other law, this chapter applies to:
- 16           (1) a small employer health benefit plan subject to  
17 Chapter 1501, including coverage provided through a health group  
18 cooperative under Subchapter B of that chapter;
- 19           (2) a standard health benefit plan issued under  
20 Chapter 1507;
- 21           (3) a basic coverage plan under Chapter 1551;  
22           (4) a basic plan under Chapter 1575;  
23           (5) a primary care coverage plan under Chapter 1579;  
24           (6) a plan providing basic coverage under Chapter  
25 1601;
- 26           (7) health benefits provided by or through a church  
27 benefits board under Subchapter I, Chapter 22, Business

1 Organizations Code;

2 (8) group health coverage made available by a school  
3 district in accordance with Section 22.004, Education Code;

4 (9) the state Medicaid program, including the Medicaid  
5 managed care program operated under Chapter 533, Government Code;

6 (10) the child health plan program under Chapter 62,  
7 Health and Safety Code;

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

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

12 Sec. 1222.0003. PREAUTHORIZATION RENEWAL REQUEST. A health  
13 benefit plan issuer that requires preauthorization as a condition  
14 of payment for a medical or health care service shall provide a  
15 preauthorization renewal process that allows a renewal of an  
16 existing preauthorization to be requested by a physician or health  
17 care provider at least 60 days before the date the preauthorization  
18 expires.

19 Sec. 1222.0004. DETERMINATION REQUIRED. If a health  
20 benefit plan issuer receives a preauthorization renewal request  
21 before the existing preauthorization expires, the health benefit  
22 plan issuer shall, if practicable, review the request and issue a  
23 determination indicating whether the medical or health care service  
24 is preauthorized before the existing preauthorization expires.

25 SECTION 2. The change in law made by this Act applies only  
26 to a health benefit plan that is delivered, issued for delivery, or  
27 renewed on or after January 1, 2020. A health benefit plan that is

1 delivered, issued for delivery, or renewed before January 1, 2020,  
2 is governed by the law as it existed immediately before the  
3 effective date of this Act, and that law is continued in effect for  
4 that purpose.

5 SECTION 3. This Act takes effect September 1, 2019.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3041 was passed by the House on May 2, 2019, by the following vote: Yeas 119, Nays 21, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3041 was passed by the Senate on May 22, 2019, by the following vote: Yeas 30, Nays 1.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor