

By: Kolkhorst

S.B. No. 2120

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the applicability of certain prompt payment
3 requirements to health and accident coverage provided by certain
4 risk pools.

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

6 SECTION 1. Section 542.052, Insurance Code, is amended to
7 read as follows:

8 Sec. 542.052. APPLICABILITY OF SUBCHAPTER. (a) This
9 subchapter applies to any insurer authorized to engage in business
10 as an insurance company or to provide insurance in this state,
11 including:

12 (1) a stock life, health, or accident insurance
13 company;

14 (2) a mutual life, health, or accident insurance
15 company;

16 (3) a stock fire or casualty insurance company;

17 (4) a mutual fire or casualty insurance company;

18 (5) a Mexican casualty insurance company;

19 (6) a Lloyd's plan;

20 (7) a reciprocal or interinsurance exchange;

21 (8) a fraternal benefit society;

22 (9) a stipulated premium company;

23 (10) a nonprofit legal services corporation;

24 (11) a statewide mutual assessment company;

- 1 (12) a local mutual aid association;
- 2 (13) a local mutual burial association;
- 3 (14) an association exempt under Section 887.102;
- 4 (15) a nonprofit hospital, medical, or dental service
- 5 corporation, including a corporation subject to Chapter 842;
- 6 (16) a county mutual insurance company;
- 7 (17) a farm mutual insurance company;
- 8 (18) a risk retention group;
- 9 (19) a purchasing group;
- 10 (20) an eligible surplus lines insurer; and
- 11 (21) except as provided by Section 542.053(b), a
- 12 guaranty association operating under Chapter 462 or 463.

13 (b) Notwithstanding any other law, this subchapter applies

14 to a claim under health and accident coverage provided by a risk

15 pool created under Chapter 172, Local Government Code, and the risk

16 pool shall be treated as an insurer for purposes of this subchapter.

17 SECTION 2. The change in law made by this Act applies only

18 to a claim filed on or after the effective date of this Act.

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