

By: Bell of Montgomery

H.B. No. 351

A BILL TO BE ENTITLED

AN ACT

relating to the provision of workers' compensation insurance and group accident and health insurance together in a packaged plan.

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

SECTION 1. Subtitle E, Title 10, Insurance Code, is amended by adding Chapter 2056 to read as follows:

CHAPTER 2056. PACKAGED PLAN OF WORKERS' COMPENSATION AND ACCIDENT AND HEALTH INSURANCE

Sec. 2056.001. DEFINITIONS. In this chapter:

(1) "Compensable injury" has the meaning assigned by Section 401.011, Labor Code.

(2) "Packaged plan" means a plan offering a workers' compensation policy together with a group accident and health insurance policy as described in Section 2056.002.

(3) "Workers' compensation insurance company" means a stock company, mutual insurance company, reciprocal or interinsurance exchange, or Lloyd's plan authorized to engage in the business of workers' compensation insurance in this state.

Sec. 2056.002. CONTRACT WITH ACCIDENT AND HEALTH INSURANCE COMPANY TO PROVIDE PACKAGED PLAN. (a) A workers' compensation insurance company may contract with an accident and health insurance company to offer to employers a workers' compensation insurance policy and a group accident and health insurance policy together in one packaged plan under which employees and their

1 dependents are eligible for major medical expense coverage and  
2 employees are covered for medical benefits and other benefits  
3 required by Chapter 408, Labor Code.

4 (b) Nothing in this chapter authorizes a workers'  
5 compensation insurance company to underwrite group accident and  
6 health insurance policies. A group accident and health insurance  
7 policy offered by a workers' compensation insurance company must be  
8 provided by an entity that is authorized to write group accident and  
9 health insurance and is separate from the workers' compensation  
10 insurance company.

11 Sec. 2056.003. PROVISION OF MEDICAL BENEFITS THROUGH HEALTH  
12 INSURANCE. (a) Subject to this section, a workers' compensation  
13 insurance company that offers a packaged plan may allow for medical  
14 benefits required under Chapter 408, Labor Code, to be provided to  
15 employees through the group accident and health insurance policy in  
16 the packaged plan.

17 (b) A packaged plan must require that benefits related to a  
18 compensable injury other than medical benefits be provided  
19 exclusively through the workers' compensation insurance policy in  
20 the packaged plan. Medical benefits for a compensable injury  
21 provided through a group accident and health insurance policy under  
22 Subsection (a) continue to be governed by Title 5, Labor Code, and  
23 Chapter 1305 of this code.

24 (c) A packaged plan offered under this section may not  
25 impose cost-sharing requirements for workers' compensation medical  
26 benefits that are covered under the group accident and health  
27 insurance policy in a packaged plan.

1       (d) To the extent employees contribute to the premiums for  
2 group accident and health coverage provided under a packaged plan  
3 offered under this section, those contributions must exclude any  
4 portion of the premiums allocated to the provision of workers'  
5 compensation medical benefits under this section.

6       (e) A packaged plan offered under this section must provide  
7 that medical examinations required under Subchapter A, Chapter 408,  
8 Labor Code, are covered exclusively under the workers' compensation  
9 insurance policy included in the packaged plan.

10       Sec. 2056.004. WORKERS' COMPENSATION OBLIGATIONS AFTER  
11 INSOLVENCY OR TERMINATION. (a) A workers' compensation insurance  
12 company that offers a packaged plan that allows for workers'  
13 compensation medical benefits to be provided through the group  
14 accident and health insurance policy in the packaged plan continues  
15 to be liable for those workers' compensation obligations provided  
16 through the group accident and health insurance policy if the  
17 company issuing the group accident and health insurance policy  
18 becomes insolvent or if the group accident and health coverage  
19 terminates.

20       (b) Nothing in this chapter may be construed to relieve a  
21 workers' compensation insurance company from any obligation to  
22 provide benefits required by Chapter 408, Labor Code.

23       (c) Nothing in this chapter relieves the Texas Property and  
24 Casualty Insurance Guaranty Association of any obligations with  
25 respect to a workers' compensation insurance company offering a  
26 packaged plan under this chapter.

27       Sec. 2056.005. EXCLUSIVE REMEDY NOT AFFECTED. Nothing in

1 this chapter affects the exclusivity, as provided by Section  
2 408.001, Labor Code, of the remedy of recovery of workers'  
3 compensation benefits for an employee covered by a packaged plan or  
4 a legal beneficiary against the employer or an agent or employee of  
5 the employer for the death of or a work-related injury sustained by  
6 the employee.

7 Sec. 2056.006. CERTAIN CLAIMS AGAINST WORKERS'  
8 COMPENSATION CLAIMANT PROHIBITED. (a) As provided by Section  
9 413.042, Labor Code, a health care provider may not pursue a private  
10 claim against a workers' compensation claimant covered by a  
11 packaged plan for all or part of the cost of a health care service  
12 provided by the provider except as provided by that section.

13 (b) A health care provider commits an administrative  
14 violation under Title 5, Labor Code, if the provider violates  
15 Subsection (a).

16 Sec. 2056.007. RULES. The commissioner shall adopt rules  
17 as necessary to implement this chapter, including rules relating  
18 to:

19 (1) establishing additional solvency requirements for  
20 an insurance company offering a workers' compensation insurance  
21 policy or group accident and health insurance policy under this  
22 chapter; and

23 (2) modifying any disclosures otherwise required by  
24 statute regarding accident and health policies that are not  
25 workers' compensation when the disclosures are provided in  
26 connection with a packaged plan.

27 SECTION 2. This Act takes effect September 1, 2023.