

AN ACT

relating to health benefit plan coverage of a transplant of an organ that originated from or is transplanted in a country known to have participated in forced organ harvesting.

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

SECTION 1. Subtitle E, Title 8, Insurance Code, is amended by adding Chapter 1380 to read as follows:

CHAPTER 1380. HUMAN ORGAN TRANSPLANT

Sec. 1380.001. DEFINITION. In this chapter, "forced organ harvesting" means the removal of one or more organs from a living person by means of coercion, abduction, deception, fraud, or abuse of power or a position of vulnerability.

Sec. 1380.002. 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;

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

3           (5) a multiple employer welfare arrangement that holds  
4 a certificate of authority under Chapter 846;

5           (6) a stipulated premium company operating under  
6 Chapter 884;

7           (7) a fraternal benefit society operating under  
8 Chapter 885;

9           (8) a Lloyd's plan operating under Chapter 941; or

10          (9) an exchange operating under Chapter 942.

11          (b) Notwithstanding any other law, this chapter applies to:

12           (1) a small employer health benefit plan subject to  
13 Chapter 1501, including coverage provided through a health group  
14 cooperative under Subchapter B of that chapter;

15           (2) a standard health benefit plan issued under  
16 Chapter 1507;

17           (3) a basic coverage plan under Chapter 1551;

18           (4) a basic plan under Chapter 1575;

19           (5) a primary care coverage plan under Chapter 1579;

20           (6) a plan providing basic coverage under Chapter  
21 1601;

22           (7) health benefits provided by or through a church  
23 benefits board under Subchapter I, Chapter 22, Business  
24 Organizations Code;

25           (8) the state Medicaid program, including the Medicaid  
26 managed care program operated under Chapter 533, Government Code;

27           (9) the child health plan program under Chapter 62,

1 Health and Safety Code;

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

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

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

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

10 Sec. 1380.003. COVERAGE PROHIBITED. (a) A health benefit  
11 plan issuer may not cover a human organ transplant or  
12 post-transplant care if:

13 (1) the transplant operation is performed in China or  
14 another country known to have participated in forced organ  
15 harvesting, as designated by the commissioner of state health  
16 services; or

17 (2) the human organ to be transplanted was procured by  
18 a sale or donation originating in China or another country known to  
19 have participated in forced organ harvesting, as designated by the  
20 commissioner of state health services.

21 (b) The commissioner of state health services may designate  
22 additional countries with governments that fund, sponsor, or  
23 otherwise facilitate forced organ harvesting and shall provide  
24 written notice to the commissioner, Teacher Retirement System of  
25 Texas, Employees Retirement System of Texas, and executive  
26 commissioner of the Health and Human Services Commission when the  
27 commissioner of state health services designates an additional

1 country.

2 SECTION 2. It is the intent of the legislature that this  
3 Act:

4 (1) combat the practice of forcibly harvesting organs  
5 from living persons for transplant without free, voluntary consent;

6 (2) bring awareness to China's state-sanctioned  
7 practice of forced organ harvesting of prisoners of conscience and  
8 other vulnerable persons, including Falun Gong practitioners,  
9 Uyghur Muslims, Tibetan Buddhists, and House Church Christians; and

10 (3) curb illicit transplant tourism and prevent  
11 residents of this state from unknowingly involving themselves in  
12 forced organ harvesting.

13 SECTION 3. If before implementing any provision of this Act  
14 a state agency determines that a waiver or authorization from a  
15 federal agency is necessary for implementation of that provision,  
16 the agency affected by the provision shall request the waiver or  
17 authorization and may delay implementing that provision until the  
18 waiver or authorization is granted.

19 SECTION 4. Chapter 1380, Insurance Code, as added by this  
20 Act, applies only to a health benefit plan delivered, issued for  
21 delivery, or renewed on or after January 1, 2024.

22 SECTION 5. This Act takes effect September 1, 2023.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1040 passed the Senate on April 6, 2023, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2023, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

I hereby certify that S.B. No. 1040 passed the House, with amendment, on May 22, 2023, by the following vote: Yeas 145, Nays 0, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor