

By: Anchía

H.B. No. 2896

A BILL TO BE ENTITLED

AN ACT

relating to insurance coverage for the disposition of embryonic and fetal tissue remains.

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

SECTION 1. Title 9, Insurance Code, is amended by adding Chapter 1702 to read as follows:

CHAPTER 1702. CERTAIN COVERAGE REQUIRED FOR DISPOSITION OF EMBRYONIC AND FETAL TISSUE REMAINS

Sec. 1702.001. APPLICABILITY. (a) This chapter applies to any issuer, sponsor, trustee, or third-party administrator of any insurance policy, annuity or other contract, or group benefit plan that provides a death benefit payable for the costs of cremation or burial of a child of a named insured or beneficiary, including:

(1) an insurance company operating under Chapter 841;

(2) a statewide mutual assessment company operating under Chapter 881;

(3) a mutual life insurance company operating under Chapter 882;

(4) a stipulated premium insurance company operating under Chapter 884;

(5) a fraternal benefit society operating under Chapter 885;

(6) a local mutual aid association operating under Chapter 886;

1           (7) a burial association operating under Chapter 888;

2           (8) an employer or other group benefit plan sponsor,  
3 regardless of whether the death benefit is provided through an  
4 insurance policy or is self-insured;

5           (9) a voluntary association that holds a group life  
6 insurance policy under Chapter 1578;

7           (10) a third-party administrator under Chapter 4151  
8 for group benefits that include a death benefit; and

9           (11) a trustee of a trust-funded prepaid funeral  
10 benefits contract regulated under Subchapter F, Chapter 154,  
11 Finance Code.

12           (b) This chapter applies to a health benefit plan that  
13 provides benefits for medical or surgical expenses incurred as a  
14 result of a health condition, accident, or sickness, including an  
15 individual, group, blanket, or franchise insurance policy or  
16 insurance agreement, a group hospital service contract, or an  
17 individual or group evidence of coverage or similar coverage  
18 document that is issued in this state by:

19           (1) an insurance company;

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

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

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

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

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

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

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

6           (9) an exchange operating under Chapter 942.

7           (c) Notwithstanding any other law, this chapter applies to:

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

11           (2) a standard health benefit plan issued under  
12 Chapter 1507;

13           (3) nonprofit agricultural organization health  
14 benefits offered by a nonprofit agricultural organization under  
15 Chapter 1682;

16           (4) alternative health benefit coverage offered by a  
17 subsidiary of the Texas Mutual Insurance Company under Subchapter  
18 M, Chapter 2054;

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

21           (6) a self-funded health benefit plan sponsored by a  
22 professional employer organization under Chapter 91, Labor Code.

23           (d) This chapter does not apply to:

24           (1) a plan that provides coverage:

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

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

3                   (C) for credit insurance;

4                   (D) only for dental or vision care;

5                   (E) only for hospital expenses; or

6                   (F) only for indemnity for hospital confinement;

7                   (2) a Medicare supplemental policy as defined by  
8 Section 1882(g)(1), Social Security Act (42 U.S.C. Section  
9 1395ss(g)(1));

10                   (3) a workers' compensation insurance policy;

11                   (4) medical payment insurance coverage provided under  
12 a motor vehicle insurance policy;

13                   (5) a long-term care policy, including a nursing home  
14 fixed indemnity policy, unless the commissioner determines that the  
15 policy provides benefit coverage so comprehensive that the policy  
16 is a health benefit plan as described by Subsection (b) or (c); or

17                   (6) the state Medicaid program, including the Medicaid  
18 managed care program operated under Chapter 540, Government Code.

19                   Sec. 1702.002. REQUIRED COVERAGE. (a) An entity to which  
20 this chapter applies must provide a benefit or coverage for up to  
21 \$7,500 of the cost of disposition of embryonic and fetal tissue  
22 remains with a post-fertilization age of 20 weeks or more.

23                   (b) The manner of disposition for which coverage is required  
24 by Subsection (a) includes:

25                   (1) interment;

26                   (2) cremation;

27                   (3) incineration followed by interment; and

1           (4) steam disinfection followed by interment.

2           SECTION 2. Chapter 1702, Insurance Code, as added by this  
3 Act, applies only to an insurance policy, evidence of coverage,  
4 annuity or other contract, or group benefit plan that is delivered,  
5 issued for delivery, or renewed on or after January 1, 2026.

6           SECTION 3. This Act takes effect September 1, 2025.