

AN ACT

relating to a group health benefit plan policy or contract holder's obligation to pay premiums on behalf of an individual after the individual's eligibility for group coverage terminates.

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

SECTION 1. Section 843.210, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e) If the group contract holder notifies the health maintenance organization of the termination of an enrollee's eligibility for coverage later than the end of the month in which the enrollee's eligibility for the group coverage terminated, the health maintenance organization may waive the contract holder's liability for premiums on the enrollee for any subsequent months, provided that no covered services were provided to the enrollee after the end of the month in which the enrollee's eligibility terminated.

SECTION 2. Section 1301.0061, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e) If the group policyholder notifies the insurer of the termination of an individual's eligibility for coverage later than the end of the month in which the individual's eligibility for the group coverage terminated, the insurer may waive the policyholder's liability for premiums on the individual for any subsequent months, provided that no covered services were provided to the individual

1 after the end of the month in which the individual's eligibility
2 terminated.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1332 passed the Senate on April 10, 2025, by the following vote: Yeas 29, Nays 0, one present not voting.

Secretary of the Senate

I hereby certify that S.B. No. 1332 passed the House on May 20, 2025, by the following vote: Yeas 145, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor