ATTACHMENT A
HOUSE AND SENATE BILLS RELATING TO
LIFE, ACCIDENT, ANNUITY, CREDIT, OR HEALTH COVERAGE.*

HOUSE BILLS (HB)

HB 595 ***Health Programs and Councils –***
HB 595 continues to delay the requirements imposed by Government Code §533.005(a)(23)(A), (B), and (C) to August 31, 2018. The bill repeals several programs and a system under the Health and Safety Code by September 1, 2013. It abolishes the tertiary care account and transfers any money remaining in the account to the general revenue fund. The bill transfers all the properties, contracts, leases, rights, and obligations of these advisory councils and committee to the Department of State Health Services.

The bill is effective September 1, 2013.

HB 1358 ***Procedures for Audits of Pharmacists and Pharmacies –***
HB 1358 moves the audit procedures for pharmacists and pharmacies to Texas Insurance Code (TIC) Chapter 1369. The bill clarifies the applicability of the chapter and establishes procedures and policies regarding audits of pharmacists and pharmacies by health benefit plans. Among other things, the bill requires at least a 14-day written notice of an on-site audit unless there is a suspicion of fraud or intentional misrepresentation, limits an issuer or pharmacy benefit manager (PBM) using random sampling to a maximum of 300 individual prescription claims, does not permit recoupment based on extrapolation, requires that the issuer or PBM complete the audit of a claim within one year of the date the claim was received, and limits recoupment of dispensing fees.

The bill is effective September 1, 2013, and applies only to contracts between a pharmacist or pharmacy and an issuer or PBM executed or renewed, and audit conducted under those contracts, on or after that date.

HB 1869 ***Contractual Subrogation and Other Recovery Rights –***
HB 1869 permits a health benefit plan issuer to contract to be subrogated to and have a right of reimbursement for payments made or costs of benefits provided from the injured party's recovery for an injury. The bill specifies the recovery amount an issuer is entitled to receive based on whether or not a covered injured party retained an attorney and limits the total amount of the attorney's fees. It clarifies that the common law doctrine that requires an injured party be made whole does not apply to a health benefit plan issuer's right to subrogate for recovery of the cost of benefits paid.

The bill limits recovery against a covered individual's first-party coverage.

The bill is effective January 1, 2014, and applies only to a contractual right of subrogation in a cause of action that accrues on or after that date.

HB 2155 ***Eligibility of Dependents Under ERS –***
HB 2155 expands the eligibility of dependent children to participate in the state employee group health benefits program administered by the Employee Retirement System.

The bill is effective June 14, 2013.

HB 2383 ***Life Settlement Contracts for Payment of Long-term Care Services; and Life Insurance Assets for Medical Assistance –***
HB 2383 permits owners of life insurance policies to enter into life settlement contracts to provide guaranteed payments for the provision of long-term care services and support for the benefit of a person who is eligible for medical assistance and for whose benefit the owner enters into the life settlement contract. It also provides the life insurance policy owner the option to exclude the life insurance policy as an asset or resource in determining eligibility for medical assistance.

The bill allows the proceeds of the life settlement to be paid to the state to offset the costs of Medicaid services. It addresses how the proceeds must be held, requires certain benefits and information be in the life settlement contract, and provides clarification on the duties of the life settlement provider and the Texas Department of Insurance (TDI).

The bill is effective June 14, 2013, and applies only to a determination of eligibility of a person for medical assistance benefits made on or after January 1, 2014. The bill requires the Health and Human Services Commission (HHSC) to adopt rules necessary to implement the bill and prohibits implementation if HHSC determines that it will not be cost-effective or feasible.

HB 2645 ***Certification and Operation of Independent Review Organizations (IRO) –***

HB 2645 prohibits certain individuals affiliated with an IRO from serving in certain positions of another IRO. The bill addresses confidentiality and requires compliance with the Health Insurance Portability and Affordability Act requirements in the transmission and storage of records.

The bill addresses certification, renewal, and fingerprints for state and federal criminal history checks. It requires IROs to notify TDI of certain changes and specifies the time frames for determinations. The bill establishes an advisory group to advise TDI and make recommendations.

The bill is effective September 1, 2013, and applies only to an IRO that applies for an initial certification or renewal certification on or after January 1, 2014.

HB 2929 ***Health Benefit Plan Coverage for Brain Injury –***

HB 2929 expands the types of health benefit plans the brain injury mandate is applicable to. The bill prohibits a health benefit plan from limiting the number of days of covered post-acute care or the number of days of covered inpatient care to the extent that the treatment or care is determined to be medically necessary because of an acquired brain injury. The bill restricts the ability of health benefit plan issuers to refuse to contract with, or approve admission to, assisted living facilities.

The bill further provides that a health benefit plan may not treat care provided as custodial care solely because it is provided by an assisted living facility if the facility holds a CARF accreditation or other nationally recognized accreditation for a rehabilitation program for brain injury.

The bill is effective September 1, 2013, and applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2014.

HB 3105 ***Intoxicants and Narcotics; Individual Accident and Health Insurance Policies –***

HB 3105 repeals TIC §1201.227. That section required the use of particular language in individual accident and health policies that excluded claims that were due to intoxication or narcotics.

The bill is effective September 1, 2013, and applies only to an individual accident and health insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2014.

HB 3276 ***Autism Spectrum Disorder; Coverage for Screening and Treatment –***
HB 3276 expands Texas' autism spectrum disorder (ASD) mandate to include screening for ASD for children at 18 months and 24 months. The bill also expands who may provide the services that are required to be covered to include an individual acting under the supervision of a health care practitioner.

The bill is effective September 1, 2013, and applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2014.

SENATE BILLS (SB)

SB 183 ***Information Requests –***
SB 183 increases the time a person has to respond to a Texas Insurance Code (TIC) §38.001 request for information from TDI from 10 days to 15 days. The bill provides for a 10-day automatic extension if requested and requires TDI to keep a record of all TIC §38.001 inquiries.

The bill is effective September 1, 2013, and applies only to an inquiry made by TDI on or after that date.

SB 365 ***Expedited Credentialing for Podiatrists and Therapeutic Optometrists –***
SB 365 addresses expedited credentialing for certain podiatrists and therapeutic optometrists joining an established professional practice that has a current contract in force with a managed care plan. The bill sets the criteria for the expedited credentialing; requires a managed care plan to pay the provider's claims as in-network while the credentialing process is ongoing; and addresses recoupment if the podiatrist or therapeutic optometrist does not meet the managed care plan's credentialing requirements.

The bill is effective September 1, 2013, and applies only to credentialing for a podiatrist or therapeutic optometrist under a contract entered into or renewed by a professional practice and an issuer of a managed care plan on or after that date.

SB 632 ***Contracts with Optometrists or Therapeutic Optometrists –***
SB 632 provides that a contract between an optometrist or therapeutic optometrist and an insurer may not limit the fee the optometrist or therapeutic optometrist may charge for a product or service that is not a covered product or service, as those are defined.

The bill is effective September 1, 2013, and applies only to contracts entered into or renewed on or after January 1, 2014.

SB 644 ***Preauthorization Standard Request Form for Prescription Drug Benefits –***
SB 644 requires the commissioner, by January 1, 2015, to prescribe a standard form for requesting preauthorization of prescription drug benefits. The bill specifies what the rule must require and establishes penalties for failure to accept and acknowledge receipt of the form. It states that no later than the second anniversary of the date the national standards for electronic prior authorization of benefits are adopted, an issuer or its agent must exchange prior authorization requests electronically with a provider who has such capabilities and who initiates a request electronically.

The bill requires the form be developed with input from a commissioner-appointed advisory committee.

The bill is effective on September 1, 2013, and applies only to a request for prior authorization of prescription drug benefits made on or after September 1, 2015.

SB 822 ***Provider Network Contract Arrangements; Regulation –***
SB 822 requires a person engaging in the business of provider network contract arrangements to register with TDI or submit an application for an exemption from registration. It provides an exception for a person holding a certificate of authority issued by TDI to engage in the business of insurance in this state or to operate a health maintenance organization, or their affiliates. The bill sets out the rights and responsibilities of contracting entities, including contracting requirements, notifications to providers, and provides for enforcement of violations.

The bill is effective September 1, 2013, and applies only to a provider network contract entered into or renewed on or after September 1, 2013.

SB 840 ***Promotional Practices; Not Prohibited Discrimination, Rebates, or Inducements –***
SB 840 permits insurers or their agents to give their clients an item that is a promotional advertising item, educational item, or traditional courtesy commonly extended to consumers and that is valued at $25 or less.

The bill is effective on September 1, 2013, and applies only to conduct that occurs on or after this date.

SB 853 ***Notice of Premium Increase –***
SB 853 clarifies that required notices regarding premium increases are only required of major medical policies.

The bill is effective June 14, 2013.

SB 1074 ***Electronic Transmission of Insurance Documentation –***
SB 1074 addresses the conduct of insurance business electronically and the electronic transmission of insurance documents. It provides detailed minimum standards and requires compliance with the Uniform Electronic Transactions Act in Business and Commerce Code Chapter 322. The bill specifies that electronic delivery is equivalent to any delivery method required by law, including delivery by first class mail, postage prepaid, and certified mail.

This bill is effective on September 1, 2013, and applies only to a written communication delivered by electronic means on or after January 1, 2014.

SB 1216 ***Preauthorization Standard Request Form for Medical Care –***
SB 1216 addresses the creation of a standard form for requesting preauthorization of health care services and requires the usage of the form. The bill addresses the applicability of the chapter. It requires TDI, by January 1, 2015, to adopt a rule prescribing the form with input from an advisory committee and require an issuer or its agent to accept such forms from providers. The bill also requires carriers, agents, and TDI to make the form available in paper format and electronically on their websites.

The bill states that no later than the second anniversary of the date the national standards are adopted, an issuer or its agent must exchange preauthorization requests electronically with a provider who has such capabilities and who initiates a request electronically. It clarifies that an issuer or its agent must accept preauthorization requests on the standard paper form, if they are submitted that way.

The bill would take effect September 1, 2013, and applies only to requests for preauthorization of health care services made on or after September 1, 2015.

SB 1286 ***Professional Employer Services –***
SB 1286 makes a large number of changes to the statutes in the Labor Code regulating professional employer/staff leasing services. Relevant to health insurance, the bill permits a license holder to offer a self-funded health plan if it meets the requirements of Labor Code Chapter 91, Subchapter D and is approved by the commissioner of insurance. The bill allows the commissioner of insurance to adopt rules for the approval and regulation of such health plans.

The bill is effective September 1, 2013.

SB 1332 ***Employees of Employer Plans –***
SB 1332 removes the term "eligible" from "eligible employee" to require the counting of all employees in determining whether an employer is considered a small or large employer. The bill confirms Texas' intent to define small employer as one with 50 or fewer employees and define large employer as one with 51 or more employees.

The bill is effective September 1, 2013, and applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2014.

SB 1367 ***Texas Health Insurance Pool; Redirection of Prompt Pay Penalties –***
SB 1367 abolishes the Texas Health Insurance Pool (THIP) and redirects the funds that currently go to the THIP. The bill requires the THIP board to develop a plan for dissolution. It states the last date for THIP to accept enrollees is December 31, 2013. The bill also provides for the termination of coverage under THIP.

The bill provides TDI the right to recover overpayments or other amounts owed THIP and to make assessments. It provides for transfer of funds or assets of THIP to TDI and for the use of the funds by TDI. The bill also allows for a delayed dissolution in certain circumstances. The bill repeals sections in the Code relating to the THIP, including sections that require that carriers provide notice to consumers of the availability of THIP coverage.

The bill is effective June 14, 2013, except the repeal of TIC §§1506.007 (a-1) and (a-2), 1506.205 (b) and (c), 1251.255 (b), and 1271.305 is effective January 1, 2014; and the repeal of TIC Chapter 1506 is effective September 1, 2015.

SB 1386 ***Nonforfeiture Requirements of Life Insurance Policies –***
SB 1386 relates to the nonforfeiture requirements of certain life insurance policies.

The bill had an effective date of January 1, 2014, if the 83rd Legislature, Regular Session, enacted legislation that amends TIC Chapter 425 to authorize the commissioner to adopt a standard valuation manual and provide an operative date. However, no legislation authorizing adoption of a standard valuation manual was enacted.

SB 1484 ***Autism Spectrum Disorder Coverage –***
SB 1484 expands Texas' autism spectrum disorder (ASD) mandate to require that plans provide the coverage as required by TIC §1355.015 for all enrollees with ASD, not just children under age 10, if the diagnosis was in place prior to the child's 10th birthday. It provides that, for an enrollee 10 years of age or older, a plan may limit benefits for applied behavioral analysis to $36,000 per year.

The bill is effective September 1, 2013, and applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after that date.

SB 1795 ***Navigators for Health Benefit Exchanges –***
SB 1795 establishes the required duties and minimum qualifications standards for navigators in health benefit exchanges. The bill addresses the duties that a navigator may perform without obtaining a license from TDI or any state agency, duties that require licensure as an agent, and prohibited acts. It requires the commissioner to obtain from the exchange, at regular intervals, a list of navigators providing assistance in Texas. The bill permits the commissioner to establish by rule a state registration for navigators.

The bill also requires the commissioner to adopt rules to implement the chapter and meet the minimum requirements under 42 U.S.C. Section 18031 and related regulations. It requires the commissioner to determine if the requirements under the federal statute and regulations are insufficient to ensure that navigators can perform the required duties. If it is determined that the requirements are insufficient, the commissioner shall cooperate with the U. S. Department of Health and Human Services to propose improvements to the federal standards. If, after a reasonable time, the federal standards are not improved, the commissioner by rule shall establish standards and qualifications.

The bill is effective on September 1, 2013, and expires on September 1, 2017.

*** This listing MAY NOT INCLUDE all bills affecting your insurance business.**