

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1764
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Economic Development
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Committee Report (Substituted)

DIGEST

Currently, federal legislation requires that if an eligible group health plan participant or beneficiary chooses to have her breasts reconstructed in connection with a mastectomy, coverage must be provided for the following: reconstruction of the breast, necessary surgery on the other breast to produce a symmetrical appearance, prostheses, and treatment of physical complications. To comply with the federal Women's Health and Cancer Rights Act of 1998, C.S.H.B. 1764 clarifies provisions regarding health plan coverage for reconstructive breast surgery after mastectomy.

PURPOSE

As proposed, C.S.H.B. 1764 clarifies provisions regarding health plan coverage for reconstructive breast surgery after mastectomy.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Commissioner of Insurance in SECTION 1 (Sections 5 and 7, Article 21.53I, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 21.53D, Insurance Code, to redesignate it as Article 21.53I, and makes the following amendments:

Sec. 1. DEFINITIONS. Defines "enrollee."

Sec. 2. SCOPE OF ARTICLE. Provides that this article only applies to certain entities including evidence of a similar coverage document offered by: a reciprocal exchange, a multiple employer welfare arrangement, or an approved nonprofit health corporation. Provides that this article does not apply to a plan that only provides coverage for certain limited benefits, wages or payments, credit insurance, or indemnity. Deletes text regarding the Employee Retirement Income Security Act of 1974, Medical Practice Act, limited benefits health insurance policies, limited indemnity coverage, and a small employer plan. Makes conforming changes.

Sec. 3. COVERAGE REQUIRED. Sets forth requirements for a health benefit plan that provides coverage for mastectomy, including breast reconstruction. Requires coverage to be provided in a certain manner to be determined in consultation with the physician and the enrollee. Subjects the coverage to certain annual deductibles, co-payments, and coinsurance. Prohibits the required benefits from being subject to dollar limitations other than lifetime maximum benefits. Deletes text regarding breast reconstruction.

Sec. 4. PROHIBITIONS. Prohibits a health benefit plan from conditioning, limiting, or denying an enrollee's eligibility, and from reducing or limiting the reimbursement or payment of a service provider. Prohibits this section from being construed to prevent a health benefit plan from negotiating reimbursement issues with a service provider.

Sec. 5. NOTICE. Requires a health benefit plan to provide notice of availability of coverage to each enrollee in accordance with rules adopted by the Commissioner of Insurance.

Sec. 6. SEVERABILITY. Sets forth provisions for the invalidity of this article and declares the provisions of this article to be severable under certain conditions.

Sec. 7. RULES. Authorizes the Commissioner of Insurance to adopt rules to meet the minimum requirements of federal law.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Emergency clause.
Effective date: upon passage.