

## **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 1924  
By: Averitt (Sibley)  
Economic Development  
5/12/1999  
Committee Report (Substituted)

### **DIGEST**

The Texas Health Insurance Risk Pool (HIRP) was created by the 71st Legislature and made operational by the 75th Legislature to provide uninsurable individuals access to health insurance for medical conditions or diagnoses that result in ineligibility for private insurance coverage. HIRP is funded by assessing insurers who provide health insurance coverage in this state, including the assessment of insurers providing long-term care coverage, which is not offered under HIRP. Federal High Risk Pool regulations specifically exempt long-term care and disability insurance from the list of coverage assessed. C.S.H.B. 1924 sets forth provisions regarding health insurance provided by the Texas Health Insurance Risk Pool, and defines "health insurance."

### **PURPOSE**

As proposed, C.S.H.B. 1924 sets forth provisions regarding health insurance provided by the Texas Health Insurance Risk Pool.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2(7), Article 3.77, Insurance Code, to redefine "health insurance."

SECTION 2. Amends Article 3.77, Insurance Code, by adding Section 16, as follows:

Sec. 16. Authorizes an insurer to provide a notification to its insureds regarding the creation of the Texas Health Insurance Pool (HIRP) and the address for information on cost, coverage, eligibility, and other information where an insured can compare his or her current health insurance with the benefits plan offered by HIRP. Prohibits the insurer from incurring any liability solely for providing such notification. Requires an insurer providing notice under Subsection (a) to provide such notice as prescribed by the commissioner. Authorizes the commissioner to promulgate rules to implement this section.

SECTION 3. Amends Article 3.77, Insurance Code, to make application of this Act prospective.

SECTION 4. Effective date: September 1, 1999.

SECTION 5. Emergency clause.