

BILL ANALYSIS

Senate Research Center
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S.B. 208
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, insurance companies can choose to provide coverage to people with autism, but are not required to do so by law. Individuals are being denied health insurance coverage by insurers simply because the individuals have autism or another pervasive developmental disorder, even though those individuals do not have higher rates of illness.

As proposed, S.B. 208 prohibits an insurance company from denying coverage for treatment, equipment, or therapy to a patient with autism or a pervasive developmental disorder.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of insurance in SECTION 1 (Section 1355.255, Insurance Code), and SECTION 6 (Section 1355.008, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 1355, Insurance Code, as effective April 1, 2005, by adding Subchapter F, as follows:

SUBCHAPTER F. INDIVIDUAL HEALTH BENEFIT PLAN COVERAGE FOR ENROLLEE WITH AUTISM OR PERVASIVE DEVELOPMENTAL DISORDER

Sec. 1355.251. DEFINITION. Defines "enrollee."

Sec. 1355.252. APPLICABILITY OF SUBCHAPTER. (a) Provides that this subchapter applies to an individual health benefit plan that provides benefits for certain expenses. Provides that an individual health benefit plan includes an individual insurance policy or insurance agreement, an individual evidence of coverage, or similar coverage document that is offered by certain entities or plans.

(b) Provides that, notwithstanding Section 172.014 (providing that a risk pool under this chapter is not insurance or an insurer under the jurisdiction of the State Board of Insurance), Local Government Code, or any other law, this subchapter applies to health and accident coverage provided by a risk pool created under Chapter 172 (Texas Political Subdivisions Uniform Group Benefits Program), Local Government Code.

Sec. 1355.253. EXCEPTION. Sets forth the plans and policies to which this subchapter does not apply.

Sec. 1355.254. EXCLUSION OF COVERAGE AND DENIAL OF BENEFITS PROHIBITED. Prohibits a health benefit plan from excluding coverage or denying benefits otherwise available to an enrollee for treatment, equipment, or therapy based on the enrollee's having autism or a pervasive developmental disorder.

Sec. 1355.255. RULES. Requires the commissioner of insurance (commissioner) to adopt rules as necessary to administer this subchapter.

SECTION 2. Amends Section 1355.001(1), Insurance Code, as effective April 1, 2005, to include autism as a pervasive developmental disorder which is defined as a "serious mental illness."

SECTION 3. Amends Section 1355.002, Insurance Code, as effective April 1, 2005, to make this subchapter apply to group, blanket, or franchise insurance policies, rather than just group insurance policies, and apply to policies, contracts, or coverage offered by certain additional entities or plans. Provides that this subchapter applies to a plan offered under a multiple employment welfare arrangement that holds a certificate of authority under Chapter 846 (Multiple Employer Welfare Arrangements), rather than an arrangement as defined by Section 3 of ERISA. Makes a nonsubstantive change.

SECTION 4. Amends Section 1355.003(a), Insurance Code, as effective April 1, 2005, to delete the provision that this subchapter does not apply to coverage under a blanket accident and health insurance policy, as described by Chapter 1251 (Group and Blanket Health Insurance). Redesignates existing Subdivisions (2)-(7) as Subdivisions (1)-(6).

SECTION 5. Amends Section 1355.004(a), Insurance Code, as effective April 1, 2005, to require a group health benefit plan to include equipment and therapy in the coverage of treatment of pervasive developmental disorders. Redesignates existing Subdivision (3) as Subdivision (4). Makes a nonsubstantive change.

SECTION 6. Amends Subchapter A, Chapter 1355, Insurance Code, as effective April 1, 2005, by adding Section 1355.008, as follows:

Sec. 1355.008. RULES. Requires the commissioner to adopt rules as necessary to administer this subchapter.

SECTION 7. Makes application of this Act prospective to January 1, 2006.

SECTION 8. Effective date: September 1, 2005.