

BILL ANALYSIS

Senate Research Center

S.B. 437
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

When a person overdoses on an opioid, their breathing and pulse slow, leading to brain damage or death. A dose of an opioid antagonist, like naloxone, stops those effects for 60 to 90 minutes by binding to the brain's opioid receptors and essentially switching them off, creating a window during which a person can receive emergency care.

Some life insurers consider the use of prescription drugs when reviewing policy applicants, and it can be difficult to tell the difference between someone who carries naloxone to save others and someone who carries naloxone because they are personally at risk for an overdose. S.B. 437 prohibits life insurance companies from denying or limiting coverage based on a prescription or obtainment of an opioid antagonist. (Original Author's/Sponsor's Statement of Intent)

S.B. 437 amends current law relating to prohibited practices by a life insurance company relating to an individual's prescription for or obtainment of an opioid antagonist.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 1101, Insurance Code, by adding Subchapter E, as follows:

SUBCHAPTER E. PROHIBITED PRACTICES RELATING TO PRESCRIPTION FOR OR OBTAINMENT OF OPIOID ANTAGONIST

Sec. 1101.201. DEFINITION. Defines "opioid antagonist."

Sec. 1101.202. APPLICABILITY OF SUBCHAPTER. Provides that this subchapter applies to a life insurance policy issued or delivered in this state or issued by a life insurance company organized in this state.

Sec. 1101.203. PROHIBITION. (a) Prohibits a life insurance company, based solely on whether an individual has been prescribed or has obtained through a standing order an opioid antagonist, from:

- (1) denying coverage to the individual;
- (2) limiting the amount, extent, or kind of coverage available to the individual; or
- (3) charging the individual or a group to which the individual belongs a rate that is different from the rate charged to other individuals or groups, respectively, for the same coverage, unless the charge is based on sound underwriting or actuarial principles reasonably related to actual or anticipated loss experience for a particular risk.

SECTION 2. Effective date: September 1, 2019.