

1 AN ACT

2 relating to certain inquiries relating to an applicant for
3 individual health benefit plan coverage.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Chapter 544, Insurance Code, is amended by
6 adding Subchapter G to read as follows:

7 SUBCHAPTER G. PREVIOUS DENIAL OF HEALTH BENEFIT PLAN COVERAGE

8 Sec. 544.301. DEFINITION. In this subchapter, "individual
9 health benefit plan" means:

10 (1) an individual accident and health insurance policy
11 to which Chapter 1201 applies; or

12 (2) individual health maintenance organization
13 coverage.

14 Sec. 544.302. LIMITATION ON CERTAIN INQUIRIES. A health
15 benefit plan issuer may ask an individual who is an applicant for an
16 individual health benefit plan or any other person or entity
17 whether the applicant has previously been denied health benefit
18 plan coverage only for the purpose of determining whether to ask for
19 other information relating to a factor used by the insurer in
20 underwriting the coverage. The insurer may not consider a
21 determination that the applicant has or has not previously been
22 denied health benefit plan coverage in underwriting the coverage
23 for which the applicant has applied.

24 Sec. 544.303. VIOLATION OF SUBCHAPTER; UNFAIR

1 DISCRIMINATION. A health benefit plan issuer who violates this
2 subchapter engages in unfair discrimination under Subchapter B.

3 SECTION 2. The change in law made by this Act applies only
4 to an application for health benefit plan coverage made on or after
5 January 1, 2006. An application made before January 1, 2006, is
6 governed by the law in effect immediately before the effective date
7 of this Act, and that law is continued in effect for that purpose.

8 SECTION 3. This Act takes effect September 1, 2005.

David Newkirk

President of the Senate

Jim Cuddeback

Speaker of the House

I certify that H.B. No. 2810 was passed by the House on May 13, 2005, by a non-record vote.

Robert Hancey
Chief Clerk of the House

I certify that H.B. No. 2810 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Datsy Spaw
Secretary of the Senate

APPROVED: 17 JUNE '05

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2:10 PM O'CLOCK

Roger Williams
Secretary of State