BILL ANALYSIS

Senate Research Center

H.B. 1800 By: Farabee (Averitt) State Affairs 5/21/2003 Engrossed

DIGEST AND PURPOSE

Under current state law, insurers, group hospital service corporations, and health maintenance organizations are required to provide each enrollee residing in this state evidence of coverage under a health care plan. Current state law also requires a health maintenance organization to provide disclosure of information about health care plan terms in written format. Electronic transfer of an evidence of coverage and of disclosures would enable essential health care plan coverage information to be provided in a more efficient manner and might reduce administrative expenses. H.B. 1800 authorizes the electronic delivery of an evidence of coverage by agreement and allows for electronic disclosures of information about health care plan terms.

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 Section 9(a), Article 20A.09, Insurance Code, to authorize the evidence of coverage required by this section to be delivered electronically, by agreement between the insurer, group hospital service corporation, or health maintenance organization and the subscriber, or the person entitled to receive the policy, contract, or evidence of coverage.

SECTION 2. Amends Section 843.201, Insurance Code, to make conforming changes.

SECTION 3. Effective date: September 1, 2003.