

INSURANCE CODE

TITLE 8. HEALTH INSURANCE AND OTHER HEALTH COVERAGES

SUBTITLE A. HEALTH COVERAGE IN GENERAL

CHAPTER 1203. COORDINATION OF BENEFITS PROVISIONS

SUBCHAPTER A. SUPPLEMENTAL INSURANCE POLICIES

Sec. 1203.001. APPLICABILITY OF SUBCHAPTER. (a) This subchapter applies only to:

(1) a policy of group accident and health insurance as described by Chapter 1251;

(2) a policy of blanket accident and health insurance as described by Chapter 1251;

(3) a policy of individual accident and health insurance as defined by Section 1201.001; or

(4) an evidence of coverage as defined by Section 843.002.

(b) This subchapter does not apply to an individual accident and health insurance policy that is designed to fully integrate with other policies through a variable deductible.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 3, eff. April 1, 2005.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 572 (H.B. 3024), Sec. 3, eff. September 1, 2015.

Sec. 1203.002. CERTAIN COORDINATION OF BENEFITS PROVISIONS PROHIBITED. (a) An accident and health insurance policy or evidence of coverage may not be delivered, issued for delivery, or renewed in this state if:

(1) a provision of the policy or evidence of coverage excludes or reduces the payment of benefits to or on behalf of an insured or enrollee;

(2) the reason for the exclusion or reduction is that benefits are also payable or have been paid to or on behalf of the insured or enrollee under a supplemental policy of accident and health insurance; and

(3) the supplemental policy is individually

underwritten and individually issued as a plan of coverage for:

- (A) hospital confinement indemnity;
- (B) a specified disease; or
- (C) a limited benefit.

(b) Application of Subsection (a) to a provision of an accident and health insurance policy or evidence of coverage is not affected by:

(1) the mode or channel by which the premium for a supplemental policy of accident and health insurance is paid to the insurer; or

(2) a reduction in the premium for a supplemental policy of accident and health insurance because of the insured's membership in an organization or status as an employee.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 3, eff. April 1, 2005.

Sec. 1203.003. CERTAIN COORDINATION OF BENEFITS PROVISIONS VOID. A provision of an accident and health insurance policy or evidence of coverage that violates Section [1203.002](#) is void.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 3, eff. April 1, 2005.

#### SUBCHAPTER B. DENTAL INSURANCE

Sec. 1203.051. APPLICABILITY OF SUBCHAPTER; EXCEPTION.

(a) This subchapter applies only to an insurance policy that provides benefits for dental expenses, including, except as provided by Subsection (b), an individual, group, blanket, or franchise insurance policy or insurance agreement, or a group hospital service contract, that is offered by:

(1) an insurance company;

(2) a group hospital service corporation operating under Chapter [842](#);

(3) a fraternal benefit society operating under Chapter [885](#);

(4) a stipulated premium company operating under Chapter [884](#);

(5) a reciprocal exchange operating under Chapter [942](#);

or

(6) a Lloyd's plan operating under Chapter 941.

(b) This subchapter does not apply to a separate dental policy that exclusively provides a non-coordinated, fixed indemnity benefit, regardless of expenses incurred paid directly to the policyholder or to the provider under an assignment of benefits provision.

Added by Acts 2015, 84th Leg., R.S., Ch. 572 (H.B. 3024), Sec. 1, eff. September 1, 2015.

Sec. 1203.052. COORDINATION OF BENEFITS BETWEEN PRIMARY AND SECONDARY INSURERS. (a) This section applies if:

(1) an insured is covered by at least two different insurance policies; and

(2) each policy provides the insured dental benefits.

(b) The primary insurer, as determined under a coordination of benefits provision applicable to the policies, is responsible for dental expenses covered under the insurance policy issued by the primary insurer up to the full amount of any policy limit applicable to the covered dental expenses.

(c) Before the policy limit described by Subsection (b) is reached, the secondary insurer, as determined under a coordination of benefits provision applicable to the policies, is responsible only for dental expenses covered under the insurance policy issued by the secondary insurer that are not covered under the policy issued by the primary insurer.

(d) After the policy limit described by Subsection (b) has been reached, the secondary insurer, in addition to the responsibility described by Subsection (c), is responsible for any dental expenses covered by both policies that exceed the policy limit described by Subsection (b), not to exceed the policy limit of the secondary policy.

Added by Acts 2015, 84th Leg., R.S., Ch. 572 (H.B. 3024), Sec. 1, eff. September 1, 2015.

Sec. 1203.053. CERTAIN COORDINATION OF BENEFITS PROVISIONS PROHIBITED. An insurance policy subject to this subchapter may not be delivered, issued for delivery, or renewed in this state if:

(1) a provision of the policy excludes or reduces the payment of benefits for dental expenses to or on behalf of an insured;

(2) the reason for the exclusion or reduction is that dental benefits are payable or have been paid to or on behalf of the insured under another insurance policy; and

(3) the exclusion or reduction would apply before the full amount of the dental expenses incurred by the insured and covered by both policies have been paid or reimbursed or the full amount of the applicable policy limit of the policy containing the exclusion or reduction is reached.

Added by Acts 2015, 84th Leg., R.S., Ch. 572 (H.B. [3024](#)), Sec. 1, eff. September 1, 2015.

Sec. 1203.054. CERTAIN COORDINATION OF BENEFITS PROVISIONS VOID. A provision of an insurance policy that violates Section [1203.053](#) is void.

Added by Acts 2015, 84th Leg., R.S., Ch. 572 (H.B. [3024](#)), Sec. 1, eff. September 1, 2015.