

INSURANCE CODE

TITLE 8. HEALTH INSURANCE AND OTHER HEALTH COVERAGES

SUBTITLE G. HEALTH COVERAGE AVAILABILITY

CHAPTER 1504. MEDICAL AND DENTAL CHILD SUPPORT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1504.001. DEFINITIONS. In this chapter:

(1) "Child" has the meaning assigned by Section 101.003, Family Code.

(2) "Child support agency" has the meaning assigned by Section 101.004, Family Code.

(3) "Custodial parent" means an individual who:

(A) is a managing conservator of a child or a possessory conservator of a child who is a parent of the child; or

(B) is a guardian of the person or other custodian of a child and is designated as guardian or custodian by a court or administrative agency of this or another state.

(4) "Benefit plan issuer" means:

(A) an insurance company, group hospital service corporation, or health maintenance organization that delivers or issues for delivery an individual, group, blanket, or franchise insurance policy or agreement, a group hospital service contract, or an evidence of coverage that provides benefits for medical or surgical expenses incurred as a result of an accident or sickness, or dental expenses;

(B) a governmental entity subject to Subchapter D, Chapter 1355, Subchapter C, Chapter 1364, Chapter 1578, Article 3.51-1, 3.51-4, or 3.51-5, or Chapter 177, Local Government Code;

(C) the issuer of a multiple employer welfare arrangement as defined by Section 846.001; or

(D) the issuer of a group health plan as defined by Section 607, Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1167).

(5) "Medical assistance" means medical assistance under the state Medicaid program.

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

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. 2636), Sec. 2G.016, eff. April 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 60, eff. September 1, 2018.

Sec. 1504.002. RULES. (a) The commissioner shall adopt reasonable rules as necessary to implement this chapter and 42 U.S.C. Section 1396a(a)(60), including rules that define acts that constitute unfair or deceptive practices under Subchapter I, Chapter 541.

(b) The commissioner shall adopt rules that define "comparable health or dental coverage" in a manner that:

(1) is consistent with federal law; and

(2) complies with the requirements necessary to maintain federal Medicaid funding.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 61, eff. September 1, 2018.

Sec. 1504.003. VIOLATION OF CHAPTER: RELIEF AVAILABLE TO INJURED PERSON. A benefit plan issuer that violates this chapter is subject to the same penalties, and an injured person has the same rights and remedies, as those provided by Subchapter D, Chapter 541.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 62, eff. September 1, 2018.

SUBCHAPTER B. DUTIES OF BENEFIT PLAN ISSUER

Sec. 1504.051. ENROLLMENT OF CERTAIN CHILDREN REQUIRED.

(a) A benefit plan issuer shall permit a parent to enroll a child in dependent health or dental coverage offered through the issuer regardless of any enrollment period restriction if the parent is:

(1) eligible for dependent health or dental coverage;
and

(2) required by a court order or administrative order to provide health or dental insurance coverage for the child.

(b) A benefit plan issuer shall enroll a child of a parent described by Subsection (a) in dependent health or dental coverage offered through the issuer if:

(1) the parent does not apply to obtain health or dental coverage for the child through the issuer; and

(2) the child, a custodial parent of the child, or a child support agency having a duty to collect or enforce support for the child applies for the coverage.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 64, eff. September 1, 2018.

Sec. 1504.052. CHILD RESIDING OUTSIDE SERVICE AREA; COMPARABLE HEALTH OR DENTAL COVERAGE REQUIRED. (a) A benefit plan issuer may not deny enrollment of a child under the health or dental coverage of the child's parent on the ground that the child does not reside in the issuer's service area.

(b) A benefit plan issuer may not enforce an otherwise applicable provision of the health or dental coverage that would deny, limit, or reduce payment of a claim for a covered child who resides outside the issuer's service area but inside the United States.

(c) For a covered child who resides outside the benefit plan issuer's service area and whose coverage under a policy or plan is required by a medical support order or dental support order, the issuer shall provide coverage that is comparable health or dental coverage to that provided to other dependents under the policy or plan.

(d) Comparable health or dental coverage may include coverage in which a benefit plan issuer uses different procedures for service delivery and health care provider reimbursement. Comparable health or dental coverage may not

include coverage:

- (1) that is limited to emergency services only; or
- (2) for which the issuer charges a higher premium.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 65, eff. September 1, 2018.

Sec. 1504.053. CANCELLATION OR NONRENEWAL OF COVERAGE FOR CERTAIN CHILDREN. (a) A benefit plan issuer may not cancel or refuse to renew health or dental coverage provided to a child who is enrolled or entitled to enrollment under this chapter unless satisfactory written evidence is filed with the issuer showing that:

- (1) the court or administrative order that required the coverage is not in effect; or

- (2) the child:

- (A) is enrolled in comparable health or dental coverage; or

- (B) will be enrolled in comparable health or dental coverage that takes effect not later than the effective date of the cancellation or nonrenewal.

(b) For purposes of this section, a child is not enrolled or entitled to enrollment under this chapter if the child's eligibility for health or dental coverage ends because the parent ceases to be eligible for dependent health or dental coverage.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 66, eff. September 1, 2018.

Sec. 1504.054. CONTINUATION OR CONVERSION OF COVERAGE.

(a) If a child's eligibility for dependent health or dental coverage ends because the parent ceases to be eligible for the coverage and the coverage provides for the continuation or conversion of the coverage for the child, the benefit plan issuer shall notify the custodial parent and the child support agency of

the costs and other requirements for continuing or converting the coverage.

(b) The benefit plan issuer shall, on application of a parent of the child, a child support agency, or the child, enroll or continue enrollment of a child whose eligibility for coverage ended under Subsection (a).

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 67, eff. September 1, 2018.

Sec. 1504.055. PROCEDURE FOR CLAIMS. (a) A benefit plan issuer that provides health or dental coverage to a child through a covered parent of the child shall:

(1) provide to each custodial parent of the child or to an adult child documents and other information necessary for the child to obtain benefits under the coverage, including:

(A) the name of the issuer;

(B) the number of the policy or evidence of coverage;

(C) a copy of the policy or evidence of coverage and schedule of benefits;

(D) a health or dental coverage membership card;

(E) claim forms; and

(F) any other document or information necessary to submit a claim in accordance with the issuer's policies and procedures;

(2) permit a custodial parent, health care provider, state agency that has been assigned medical or dental support rights, or adult child to submit claims for covered services without the approval of the covered parent; and

(3) make payments on covered claims submitted in accordance with this subsection directly to a custodial parent, health care or dental care provider, adult child, or state agency making a claim.

(b) A benefit plan issuer shall provide to a state agency that provides medical assistance, including medical assistance for

dental services, to the child or shall provide to a child support agency that enforces medical or dental support on behalf of a child the information necessary to obtain reimbursement of medical or dental services provided to or paid on behalf of the child.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 68, eff. September 1, 2018.

SUBCHAPTER C. PROHIBITED CONDUCT

Sec. 1504.101. DENIAL OF ENROLLMENT ON CERTAIN GROUNDS PROHIBITED. A benefit plan issuer may not deny enrollment of a child under the health or dental coverage of the child's parent on the ground that the child:

- (1) has a preexisting condition;
- (2) was born out of wedlock;
- (3) is not claimed as a dependent on the parent's federal income tax return;
- (4) does not reside with the parent; or
- (5) receives or has applied for medical assistance.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 69, eff. September 1, 2018.

Sec. 1504.102. ASSIGNMENT OF MEDICAL OR DENTAL SUPPORT RIGHTS: DIFFERENT REQUIREMENTS PROHIBITED. A benefit plan issuer may not require a state agency that has been assigned the rights of an individual who is eligible for medical assistance and is covered for health or dental benefits from the issuer to comply with a requirement that is different from a requirement imposed on an agent or assignee of any other covered individual.

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

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1150 (S.B. 550), Sec. 70, eff. September 1, 2018.