SB 1040 (2nd reading) Kolkhorst et al. (Oliverson et al.)

SUBJECT: Prohibiting coverage for transplants involving forced organ harvesting

COMMITTEE: Public Health — favorable, without amendment

VOTE: 10 ayes — Klick, Campos, Collier, Jetton, J. Jones, V. Jones, Oliverson,

Price, Smith, Tinderholt

0 nays

1 absent — A. Johnson

SENATE VOTE: On final passage (April 6) — 31 - 0

WITNESSES: None (considered in a formal meeting on April 26)

BACKGROUND: Concerns have been raised that some individuals requiring an organ

transplant may travel to countries where organs are more readily available

due to being obtained through the practice of forced organ harvesting.

DIGEST: SB 1040 would prohibit certain health benefit plan issuers from covering

a human organ transplant or post-transplant care if:

• the transplant operation was performed in China or another country known to have participated in forced organ harvesting; or

• the human organ to be transplanted was procured by a sale or donation originating in China or another country known to have participated in forced organ harvesting.

"Forced organ harvesting" would mean the removal of one or more organs from a living person by means of coercion, abduction, deception, fraud, or abuse of power or a position of vulnerability.

The bill would authorize the commissioner of state health services to designate additional countries with governments that funded, sponsored, or otherwise facilitated forced organ harvesting. Upon designation, the commissioner would be required to provide written notice to the Teacher

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Retirement System of Texas, the Employees Retirement System of Texas, and the executive commissioner of the Health and Human Services Commission.

The bill would only apply to health benefit plans that provided benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness. The bill would specify certain types of insurance policies and agreements, in addition to types of insurance companies and other entities, to which these provisions would apply.

If a state agency required a waiver or authorization from a federal agency to implement the bill, the agency would be allowed to delay implementation until the waiver or authorization was granted.

The bill would take effect September 1, 2023, and would only apply to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2024.