

BILL ANALYSIS

Senate Research Center
79R3105 KCR-D

S.B. 218
By: Barrientos
State Affairs
3/4/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

M.D. Anderson Cancer Center and other health science centers occasionally recommend the use of newer, non-controversial treatments called peripheral stem cell transplants for diseases including multiple myeloma and Hodgkin's disease. Although these treatments are often less expensive and more effective than existing procedures, medical insurance providers, including HMOs, do not always cover them.

For example, an academic health science center recommended the stem cell transplant procedure for a public school teacher in Senate District 14 suffering from multiple myeloma. Despite the fact that it was less expensive than the alternative suggested by the HMO, the company refused to allow for the treatment which is covered under taxpayer-supported Medicare and Medicaid standards.

As proposed, S.B. 218 establishes a minimum standard of health care coverage for the treatment of multiple myeloma and Hodgkin's disease through the use of peripheral stem cell transplant procedures in Texas.

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 Subchapter D, Chapter 1271, Insurance Code, as effective April 1, 2005, by adding Section 1271.157, as follows:

Sec. 1271.157. CERTAIN TREATMENTS FOR MULTIPLE MYELOMA AND HODGKIN'S DISEASE. (a) Requires basic health care services provided under an evidence of coverage to include benefits for autologous peripheral stem cell transplants for the treatment of multiple myeloma or Hodgkin's disease, notwithstanding Article 3.80 or 20A.09N (allowing insurers and health maintenance organizations to issue coverage that, in whole or in part, does not offer or provide state-mandated health benefits). Prohibits benefits required to be provided under this section from being subject to different limitations or different cost-sharing provisions than are applicable to other comparable procedures for which benefits are provided under the evidence of coverage.

(b) Provides that for purposes of Section 3(b), Article 3.80, and Article 20A.09N(d), "state-mandated health benefits" does not include coverage for autologous peripheral stem cell transplants for the treatment of multiple myeloma and Hodgkin's disease.

SECTION 2. Amends Section 1501.251, Insurance Code, as effective April 1, 2005, to require a small employer health benefit plan issued by a health maintenance organization to provide the benefits described by Section 1271.157. Creates a subsection from existing text.

SECTION 3. Amends Subchapter C, Chapter 1579, Insurance Code, by adding Section 1579.106, as follows:

Sec. 1579.106. CERTAIN BENEFITS REQUIRED. Requires coverage provided under the uniform group health coverage program for Texas school employees through a health maintenance organization to provide the benefits described by Section 1271.157.

SECTION 4. Makes application of this Act prospective to January 1, 2006.

SECTION 5. Effective date: September 1, 2005.