

## **BILL ANALYSIS**

Senate Research Center  
80R1745 KCR-D

S.B. 1391  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Business and insurance companies are beginning to consider outsourcing health care due the prospect of significant savings. Last year, 500,000 Americans traveled overseas for medical treatment. Hospitals in Thailand, India, and Singapore have been frequented by Americans seeking cosmetic surgery; however, many of these facilities are gaining reputations for heart surgery and knee and back procedures. United Group Programs sells self-insurance policies to small businesses and is offering a plan that requires patients to travel to the Bumrungrad International Hospital in Bangkok. This type of plan has the potential to save employers more than 50 percent on major medical costs.

As proposed, S.B. 1391 prohibits certain health benefit plans from requiring enrollees to travel to a foreign country to receive health care services.

### **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 Subtitle A, Title 8, Insurance Code, by adding Chapter 1215, as follows:

#### CHAPTER 1215. OUT-OF-COUNTRY COVERAGE PROHIBITED

Sec. 1215.001. DEFINITIONS. Defines "enrollee," "foreign country," and "health care service."

Sec. 1215.002. APPLICABILITY OF CHAPTER. (a) Provides that this chapter applies only to certain health benefit plans.

(b) Provides that, for the purposes of Subsection (a), a health benefit plan includes a consumer choice of benefits plan issued under Chapter 1507 (Consumer Choice of Benefits Plans).

Sec. 1215.003. EXCEPTION. Sets forth health benefits plans to which this chapter does not apply.

Sec. 1215.004. OUT-OF-COUNTRY CARE PROHIBITED. Prohibits a health benefit plan issuer from issuing or offering for sale in this state a health benefit plan that requires an enrollee to travel to a foreign country to receive a particular health care service under the plan, or a discount on the amount an enrollee is required to pay to receive a particular health care service under the plan.

SECTION 2. Makes application of this Act prospective to January 1, 2008.

SECTION 3. Effective date: September 1, 2007.