



1 Amend S.B. No. 23 as follows:

2 (1) In SECTION 1.01 of the bill, between amended Section
3 524.051, Insurance Code, and amended Section 524.052, Insurance
4 Code (page 2, between lines 23 and 24), insert the following:

5 Sec. 524.0513. INFORMATION ABOUT AVAILABILITY OF CERTAIN
6 COVERAGE. The division shall include information in the
7 program's materials about the availability under certain health
8 benefit plans of coverage for prosthetic devices, orthotic
9 devices, and related services provided by Chapter 1371.

10 (2) Insert the following new ARTICLE, appropriately
11 numbered, and renumber subsequent ARTICLES and SECTIONS of the
12 bill appropriately:

13 ARTICLE __. COVERAGE FOR CERTAIN PROSTHETIC DEVICES, ORTHOTIC
14 DEVICES, AND RELATED SERVICES

15 SECTION __.01. Subtitle E, Title 8, Insurance Code, is
16 amended by adding Chapter 1371 to read as follows:

17 CHAPTER 1371. COVERAGE FOR CERTAIN PROSTHETIC DEVICES, ORTHOTIC
18 DEVICES, AND RELATED SERVICES

19 Sec. 1371.001. DEFINITIONS. In this chapter:

20 (1) "Enrollee" means an individual entitled to
21 coverage under a health benefit plan.

22 (2) "Orthotic device" means a custom-fitted or
23 custom-fabricated medical device that is applied to a part of
24 the human body to correct a deformity, improve function, or
25 relieve symptoms of a disease.

26 (3) "Prosthetic device" means an artificial device
27 designed to replace, wholly or partly, an arm or leg.

28 Sec. 1371.002. APPLICABILITY OF CHAPTER. (a) This
29 chapter applies only to a health benefit plan, including a small

1 employer health benefit plan written under Chapter 1501 or
2 coverage provided by a health group cooperative under Subchapter
3 B of that chapter, that provides benefits for medical or
4 surgical expenses incurred as a result of a health condition,
5 accident, or sickness, including an individual, group, blanket,
6 or franchise insurance policy or insurance agreement, a group
7 hospital service contract, or an individual or group evidence of
8 coverage or similar coverage document that is offered by:

9 (1) an insurance company;

10 (2) a group hospital service corporation operating
11 under Chapter 842;

12 (3) a fraternal benefit society operating under
13 Chapter 885;

14 (4) a stipulated premium company operating under
15 Chapter 884;

16 (5) a reciprocal exchange operating under Chapter
17 942;

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

19 (7) a health maintenance organization operating under
20 Chapter 843;

21 (8) a multiple employer welfare arrangement that
22 holds a certificate of authority under Chapter 846; or

23 (9) an approved nonprofit health corporation that
24 holds a certificate of authority under Chapter 844.

25 (b) Notwithstanding Section 172.014, Local Government
26 Code, or any other law, this chapter applies to health and
27 accident coverage provided by a risk pool created under Chapter
28 172, Local Government Code.

29 (c) Notwithstanding any provision in Chapter 1551, 1575,
30 1579, or 1601 or any other law, this chapter applies to:

31 (1) a basic coverage plan under Chapter 1551;

1 (2) a basic plan under Chapter 1575;

2 (3) a primary care coverage plan under Chapter 1579;

3 and

4 (4) basic coverage under Chapter 1601.

5 Sec. 1371.003. REQUIRED COVERAGE FOR PROSTHETIC DEVICES,

6 ORTHOTIC DEVICES, AND RELATED SERVICES. (a) A health benefit

7 plan must provide coverage for prosthetic devices, orthotic

8 devices, and professional services related to the fitting and

9 use of those devices that equals the coverage provided under

10 federal laws for health insurance for the aged and disabled

11 under Sections 1832, 1833, and 1834, Social Security Act (42

12 U.S.C. Sections 1395k, 1395l, and 1395m), and 42 C.F.R. Sections

13 410.100, 414.202, 414.210, and 414.228, as applicable.

14 (b) Covered benefits under this chapter are limited to the

15 most appropriate model of prosthetic device or orthotic device

16 that adequately meets the medical needs of the enrollee as

17 determined by the enrollee's treating physician or podiatrist

18 and prosthetist or orthotist, as applicable.

19 (c) Subject to applicable copayments and deductibles, the

20 repair and replacement of a prosthetic device or orthotic device

21 is a covered benefit under this chapter unless the repair or

22 replacement is necessitated by misuse or loss by the enrollee.

23 (d) Coverage required under this section:

24 (1) must be provided in a manner determined to be

25 appropriate in consultation with the treating physician or

26 podiatrist and prosthetist or orthotist, as applicable, and the

27 enrollee;

28 (2) may be subject to annual deductibles, copayments,

29 and coinsurance that are consistent with annual deductibles,

30 copayments, and coinsurance required for other coverage under

31 the health benefit plan; and

1 (3) may not be subject to annual dollar limits.

2 (e) Covered benefits under this chapter may be provided by
3 a pharmacy that has employees who are qualified under the
4 Medicare system and applicable Medicaid regulations to service
5 and bill for orthotic services. This chapter does not preclude
6 a pharmacy from being reimbursed by a health benefit plan for
7 the provision of orthotic services.

8 Sec. 1371.004. PREAUTHORIZATION. A health benefit plan
9 may require prior authorization for a prosthetic device or an
10 orthotic device in the same manner that the health benefit plan
11 requires prior authorization for any other covered benefit.

12 Sec. 1371.005. MANAGED CARE PLAN. A health benefit plan
13 provider may require that, if coverage is provided through a
14 managed care plan, the benefits mandated under this chapter are
15 covered benefits only if the prosthetic devices or orthotic
16 devices are provided by a vendor or a provider, and related
17 services are rendered by a provider, that contracts with or is
18 designated by the health benefit plan provider. If the health
19 benefit plan provider provides in-network and out-of-network
20 services, the coverage for prosthetic devices or orthotic
21 devices provided through out-of-network services must be
22 comparable to that provided through in-network services.

23 SECTION __.02. Chapter 1371, Insurance Code, as added by
24 this article, applies only to a health benefit plan that is
25 delivered, issued for delivery, or renewed on or after January
26 1, 2008. A health benefit plan that is delivered, issued for
27 delivery, or renewed before January 1, 2008, is covered by the
28 law in effect at the time the plan was delivered, issued for
29 delivery, or renewed, and that law is continued in effect for
30 that purpose.