

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1351
By: Barrientos
State Affairs
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Committee Report (Substituted)

DIGEST

Currently, the federal government provides the Children's Health Insurance Program (CHIP), which offers health insurance for children in economically disadvantaged families who cannot afford health coverage. Federal guidelines make children of state employees ineligible for CHIP. C.S.S.B. 1351 provides a comparable plan for children of state employees who would otherwise be eligible for health insurance under CHIP and for eligible children of certain public university systems.

PURPOSE

As proposed, C.S.S.B. 1351 requires health benefits plan coverage for children of certain employees paid by state appropriated money.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Board of Trustees of the Employees Retirement System of Texas in SECTION 1 (Section 14A, Article 3.50-2, Insurance Code) and institutions of higher education in SECTION 3 (Section 17A, Article 3.50-2, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 3.50-2, Insurance Code (The Texas Employees Uniform Group Insurance Benefit Act), by adding Section 14A, as follow:

Sec. 14A. COVERAGE FOR DEPENDENT CHILDREN OF CERTAIN EMPLOYEES. Requires a trustee of the Board of Trustees of the Employees Retirement System of Texas, subject to any applicable limit in the General Appropriations Act, to use money appropriated for employer contributions to fund 80 percent of the cost of basic coverage for a child who meets certain requirements. Requires the trustee to identify employees who may be eligible for dependent child coverage under Subsection (a) and notify the employee of certain conditions. Requires an employee who desires dependent child coverage under this section to apply to the Texas Department of Human Services (TDHS) or other agency designated by the Health and Human Services Commission (commission) to perform eligibility screening under this section. Requires the eligibility screening to be coordinated with eligibility screening for the state Medicaid program. Requires the agency that performs the eligibility screening to certify to the trustee in writing whether a child is eligible for dependent child coverage under Subsection (a) for this section. Authorizes the employee to apply for the coverage during the annual open enrollment period applicable to the employee's coverage under this Act, if an employee does not obtain dependent child coverage under this section at the time the employee is initially employed. Authorizes the trustee to take certain action. Authorizes the trustee to require an employee to re-apply for dependant child coverage under this section during each annual open enrollment period applicable to the employee's coverage. Requires the trustee and TDHS or other agency designated by the commission to perform eligibility screening under this section to cooperate to develop a cost-effective method for annual re-evaluation of eligibility determination for dependant child coverage under this section. Authorizes the trustee to pay a higher percentage of the cost of basic coverage for a child described by Subsection (a) of this section if money becomes available for that purpose.

SECTION 2. Amends Section 15(b), Article 3.50-2, Insurance Code, to authorize the state to contribute a greater amount for coverage for dependent children described by Section 14A(a) of this Act than the state contributes for group coverage for other dependent children.

SECTION 3. Amends Article 3.50-3, Insurance Code (The Texas State College and University Employees Uniform Insurance Benefits Act) by adding Section 17A, as follows:

Sec. 17A. COVERAGE FOR DEPENDENT CHILDREN OF CERTAIN EMPLOYEES. Requires an institution of higher education (institution), subject to any applicable limit in the General Appropriations Act, to use money appropriated for employer contributions to fund 80 percent of the cost of basic coverage for a child who meets certain requirements. Requires the institution to identify employees who may be eligible for dependent child coverage under Subsection (a) and notify the employee of certain eligibility. Requires an employee who desires dependent child coverage under this section to apply to the TDHS or other agency designated by the commission to perform eligibility screening under this section. Requires the eligibility screening to be coordinated with eligibility screening for the state Medicaid program. Requires the agency that performs the eligibility screening to certify to the trustee in writing whether a child is eligible for dependent child coverage under Subsection (a) for this section. Authorizes the employee to apply for the coverage during the annual open enrollment period applicable to the employee's coverage under this Act, if an employee does not obtain dependent child coverage under this section at the time the employee is initially employed. Authorizes the institution to take certain action. Authorizes the institution to require an employee to re-apply for dependant child coverage under this section during each annual open enrollment period applicable to the employee's coverage. Requires the trustee and TDHS or other agency designated by the commission to perform eligibility screening under this section to cooperate to develop a cost-effective method for annual re-evaluation of eligibility determination for dependant child coverage under this section. Authorizes the institution to pay a higher percentage of the cost of basic coverage for a child described by Subsection (a) of this section if money becomes available for that purpose.

SECTION 4. Amends Section 13, Article 3.50-3, Insurance Code, to authorize the state to contribute a greater amount for coverage for dependent children described by Section 17A(a) of this Act than the state contributes for group coverage for other dependent children. Makes conforming changes.

SECTION 5. (a) Effective date: September 1, 1999.

(b) Provides that Section 14A, Article 3.50-2, Insurance Code, and Section 17A, Article 3.50-3, Insurance Code, do not apply to the purchase of basic dependent child coverage by the trustee of the group benefits program under the Texas Employees Uniform Group Insurance Benefits Act and institution subject to the Texas State College and University Employees Uniform Insurance Benefits Act before fiscal year 2001.

SECTION 6. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 14A, Article 3.50-2, Insurance Code, to require the trustee to use money appropriated for employer contributions to fund 80 percent of the cost of basic coverage for a certain child. Authorizes the employee to apply for coverage during certain periods. Authorizes the trustee to take certain actions. Deletes text prohibiting the employee from being required to contribute any amount towards coverage. Deletes text requiring the trustee to ensure that a certain determination is made.

SECTION 3.

Amends Section 17-A, Article 3.50-3, Insurance Code, to require the institution to use money appropriated for employer contributions to fund 80 percent of the cost of basic coverage for a certain child. Authorizes the employee to apply for coverage during certain periods. Authorizes the institution to take certain actions. Deletes text prohibiting the employee from being required to contribute any amount towards coverage. Deletes text requiring the institution to ensure that a certain determination is made.

SECTION 5.

Adds a new effective date and provisions regarding insurance coverage before fiscal year 2001.

SECTION 6.

Emergency clause.