

BILL ANALYSIS

Senate Research Center
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S.B. 770
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DIGEST AND PURPOSE

Currently, a dependent person eligible for health insurance coverage is defined as an unmarried child who is a full-time student, under 23 years of age and financially dependent on the parent. As proposed, S.B. 770 changes the definition of “dependent” to mean a child who is under 25 years of age, unmarried, and financially dependent on the parent.

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 Chapter 21E, Insurance Code, by adding Article 21.53Y, as follows:

Art. 21.53Y. AVAILABILITY OF COVERAGE FOR DEPENDENTS

Sec. 1. DEFINITIONS. Defines “child” and “enrollee.”

Sec. 2. APPLICABILITY OF ARTICLE. Provides that this article applies only to a health benefit plan that provides benefits for medical or surgical expenses incurred as a result of a health condition, accident, or sickness, including an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is offered by certain entities. Provides that this article applies to a small employer health benefit plan written under Chapter 26 of this code. Provides that this article does not apply to a plan that provides coverage to certain benefits, a Medicare supplemental policy as defined by Section 1882(g)(1), Social Security Act (42 U.S.C. Section 1395ss), as amended; a workers compensation insurance policy; medical payment insurance coverage provided under a motor vehicle insurance policy; or a long-term care insurance policy, including a nursing home fixed policy, unless the commissioner of insurance (commissioner) determines that the policy is a health benefit plan as described by Subsection (a) of this section.

Sec. 3. COVERAGE REQUIRED. Requires a health benefit plan that offers coverage for dependent children of an enrollee to make dependent coverage available for a child of an enrollee who is under 25 years of age; unmarried; and financially dependent on the parent.

SECTION 2. Amends Section 2(5), Article 3.77, Insurance Code, to redefine “dependent.”

SECTION 3. Amends Article 26.02(8), Insurance Code, to redefine “dependent.” Deletes text regarding a child under the age of 19. Deletes text regarding a child who is a full-time student.

SECTION 4. Repealer: Article 21.24-2 (Group Coverage of Certain Students), Insurance Code.

SECTION 5. Effective date: September 1, 2001.

Makes application of this Act prospective to January 1, 2002.