

BILL ANALYSIS

Senate Research Center
81R28789 ALB-D

C.S.S.B. 841
By: Averitt et al.
Finance
4/30/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There are approximately 1.4 million uninsured children in Texas, and 516,000 uninsured children in Texas whose net family income is above 200 percent of the federal poverty level (FPL) for whom affordable insurance is not available.

C.S.S.B. 841 amends current law relating to the child health plan program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 7 (Section 62.1551, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 62.002(2), Health and Safety Code, to redefine "executive commissioner" or "commissioner."

SECTION 2. Amends Section 62.101(b), Health and Safety Code, to require the Health and Human Services Commission (HHSC) to establish income eligibility levels consistent with Title XXI, Social Security Act (42 U.S.C. Section 1397aa et seq.), as amended, and any other applicable law or regulations, and subject to the availability of appropriated money, so that a child who is younger than 19 years of age and whose net family income is at or below 300, rather than 200, percent of the federal poverty level is eligible for health benefits coverage under the program. Authorizes HHSC to establish eligibility standards regarding the amount and types of allowable assets for a family whose net family income is above 250, rather than 150, percent of the federal poverty level.

SECTION 3. Amends Sections 62.102(b) and (c), Health and Safety Code, as follows:

(b) Requires HHSC, during the sixth month following the date of initial enrollment or reenrollment of an individual whose net family income exceeds 285, rather than 185, percent of the federal poverty level, to continue to provide coverage if the individual's net family income does not exceed the income eligibility limits prescribed by Section 62.101 (Eligibility), rather than this chapter.

(c) Makes conforming changes.

SECTION 4. Amends Section 62.151, Health and Safety Code, by adding Subsection (g), to authorize HHSC, in developing the plan, subject to federal requirements, to choose to provide dental benefits at full cost to the enrollee as an available plan option for a child whose net family income is greater than 200 percent but not greater than 300 percent of the federal poverty level.

SECTION 5. Amends Section 62.153, Health and Safety Code, by amending Subsections (a) and (c) and adding Subsections (a-1) and (a-2), as follows:

(a) Requires HHSC, to the extent permitted under 42 U.S.C. Section 1397cc, as amended, and any other applicable law or regulations, to require enrollees whose net family incomes are at or below 200 percent of the federal poverty level to share the cost

of the child health plan, including provisions requiring enrollees under the child health plan to pay certain costs.

(a-1) Requires HHSC to require enrollees whose net family incomes are greater than 200 percent but not greater than 300 percent of the federal poverty level to pay a share of the cost of the child health plan through copayments, fees, and a portion of the plan premium. Requires that the total amount of the share required to be paid include a portion of the plan premium set at an amount determined by HHSC that is not more than 2.5 percent of an enrollee's net family income; exceed the amount required to be paid by enrollees described by Subsection (a), but prohibits the total amount required to be paid from exceeding five percent of an enrollee's net family income; and increase incrementally, as determined by HHSC, as an enrollee's net family income increases.

(a-2) Requires HHSC, in establishing the cost required to be paid by an enrollee described by Subsection (a-1) as a portion of the plan premium, to ensure that the cost progressively increases as the number of children in the enrollee's family provided coverage increases.

(c) Requires HHSC to specify the manner of payment for any portion of the plan premium required to be paid by an enrollee under this section. Deletes existing text requiring that the cost-sharing provisions imposed under Subsection (a) include requirements that enrollees pay a portion of the plan premium, HHSC must specify the manner in which the premium is paid. Authorizes HHSC to require that the premium be paid to HHSC, the Department of State Health Services, or the health plan provider, rather than the Texas Department of Health or the Texas Department of Human Services. Requires HHSC to develop an option for an enrollee to pay monthly premiums using direct debits to bank accounts or credit cards.

SECTION 6. Amends Section 62.154, Health and Safety Code, by amending Subsection (d) and adding Subsection (e), as follows:

(d) Requires that for a child whose net family income is at or below 200 percent of the federal poverty level, the waiting period required by Subsection (a) is to extend for a period of 90 days after the last date on which the applicant was covered under a health benefits plan.

(e) Requires that for a child whose net family income is greater than 200 percent but not greater than 300 percent of the federal poverty level, the waiting period required by Subsection (a) extend for a period of 180 days after the last date on which the applicant was covered under a health benefits plan, and apply to a child who was covered by a health benefits plan at any time during the 180 days before the date of application for coverage under the child health plan.

SECTION 7. Amends Subchapter D, Chapter 62, Health and Safety Code, by adding Section 62.1551, as follows:

Sec. 62.1551. TERMINATION OF COVERAGE FOR NONPAYMENT OF PREMIUMS. (a) Defines "lock-out period."

(b) Requires the executive commissioner of HHSC (executive commissioner) by rule to establish a process that allows for the termination of coverage under the child health plan of an enrollee whose net family income is greater than 200 percent but not greater than 300 percent of the federal poverty level if the enrollee does not pay the premiums required under Section 62.153(a-1).

(c) Requires that the rules required by Subsection (b) address the number of payments that may be missed before coverage terminates, address the process for notifying an enrollee of pending coverage termination, and provide for an appropriate lock-out period after termination for nonpayment.

SECTION 8. Requires an agency affected by provisions of this Act to request any necessary waiver or authorization from a federal agency and authorizes delay of implementation until such federal waivers or authorizations are obtained.

SECTION 9. Provides that this Act does not make an appropriation and takes effect only if a specific appropriation for the implementation of this Act is provided in a general appropriations act of the 81st Legislature.

SECTION 10. Effective date: September 1, 2009.