

## **BILL ANALYSIS**

Senate Research Center

H.B. 2123  
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State Affairs  
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Engrossed

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

H.B. 2123 amends the Government Code to extend the eligibility to participate in the state group benefits program under the Texas Employees Group Benefits Act of a volunteer in the Texas State Guard who is not a full-time or part-time state employee and who has been on state active duty or on state training or other duty for a certain period to any member of the state military forces who meets that criteria and to decrease from more than 90 days to more than 60 days the period on state active duty or state training or other duty required for such eligibility to participate in the program. The bill removes the specification that such eligibility applies to the purchase of health and dental insurance coverage, removes the requirement that the participant pay the full cost of such coverage under the group benefits program, and removes the prohibition against the participant receiving a state contribution for premiums. The bill instead establishes that such a member of the state military forces is considered to be a full-time state employee for purposes of the act, including the receipt of a full state contribution for insurance coverage.

H.B. 2123 authorizes the Texas Military Department (TMD) to require payment of the cost associated with paying the state contribution of a service member who elects to participate in the state group benefits program by the person responsible for paying for the mission for which the service member is on state active duty or state training and other duty. The bill requires TMD to reimburse the board of trustees of the Employees Retirement System of Texas (ERS) for that cost. The bill includes an appropriate method of administering that reimbursement among the methods and procedures required to be established through the adoption of a memorandum of understanding between the adjutant general and ERS.

H.B. 2123 amends current law relating to participation of the state military forces in the state group benefits program.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the adjutant general in SECTION 1 (Section 437.212, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 437.212, Government Code, by amending Subsections (f) and (g) and adding Subsections (g-1), (g-2), and (g-3), as follows:

(f) Provides that a member of the state military forces who is not a full-time or part-time state employee and who has been on state active duty or on state training or other duty for more than 60 days is, notwithstanding Section 1551.1055 (Date Eligibility Begins; Waiting Period), Insurance Code, eligible to participate in the state group benefits program under Chapter 1551 (Texas Employees Group Benefits Act), Insurance Code, to purchase health or dental insurance coverage, subject to the following requirements, rather than provides that a volunteer in the Texas State Guard who is not a full-time or part-time state employee and who has been on state active duty or on state training or other duty for more than 90 days is eligible:

(1) the participant must be a member of the state military forces, rather than a member of the Texas State Guard, at the time of enrollment in the group benefits program;

(2) the participant must pay the full cost of health or dental insurance coverage under the group benefits program, rather than the participant must pay the full cost of health or dental insurance coverage under the group benefits program and may not receive a state contribution for premiums; and

(3) Makes no change to this subdivision.

(g) Makes a conforming change.

(g-1) Provides that a member of the state military forces described by Subsection (f) is eligible to receive a stipend to be paid by the Texas Military Department (TMD) in an amount to be determined by TMD under Subsection (g-3) for each month following the 60th day that the member:

(1) is on state active duty or on state training or other duty; and

(2) subject to verification by the adjutant general as provided by Section 437.2121, pays the full cost of health or dental insurance coverage under the state group benefits program, a government-funded health or dental insurance plan, or a private or nongovernmental health or dental insurance plan for which the member is required to pay premiums.

(g-2) Requires a member of the state military forces who is eligible to receive a stipend under Subsection (g-1) to notify the adjutant general of the member's health or dental insurance coverage by submitting the authorization form specified by Section 437.2121. Authorizes the adjutant general to adopt rules to implement and administer this subsection, including rules that prescribe the procedure a member must follow to submit an executed authorization form and the amount of time a member has to submit the authorization form. Authorizes the comptroller of public accounts of the State of Texas (comptroller) to consult with the adjutant general to adopt rules governing the manner in which an eligible member may receive a stipend.

(g-3) Prohibits a stipend paid to a member of the Texas National Guard from exceeding the amount of the member's TRICARE premium or an amount equal to that premium to be applied toward the member's private or nongovernmental insurance plan. Prohibits a stipend paid to a member of the Texas State Guard or other member of a military force organized under state law from exceeding the amount of the member's health or dental insurance plan premium determined by the premium amount associated with the state group benefits program or an amount equal to that premium to be applied toward the member's private or nongovernmental insurance plan.

SECTION 2. Amends Subchapter E, Chapter 437, Government Code, by adding Section 437.2121, as follows:

Sec. 437.2121. AUTHORIZATION FORM FOR RELEASE OF PROTECTED HEALTH INFORMATION. (a) Prohibits a member of the state military forces who meets the eligibility requirements under Section 437.212(g-1) from receiving a stipend under that section unless the member submits to the adjutant general the authorization form specified by this section. Requires the adjutant general to verify that the member has paid the full cost of the member's health or dental insurance coverage before TMD may issue a stipend to the member.

(b) Prohibits the authorization form specified by this section from being altered or modified. Prohibits a member who alters or modifies the authorization form, or who revokes an executed authorization, from receiving a stipend to which the

member may otherwise be eligible until 60 days following receipt by the adjutant general of a newly executed authorization form.

(c) Requires that the authorization form required by this section be in a certain form as set forth and be construed in accordance with the Standards for Privacy of Individually Identifiable Health Information (45 C.F.R. Parts 160 and 164). Sets forth the required language of the authorization form.

SECTION 3. Effective date: January 1, 2016.