

BILL ANALYSIS

Senate Research Center
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H.B. 3307
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State Affairs
5/18/2015
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

TRICARE is the health care program provided by the United States Department of Defense to certain veterans and their spouses and children. Upon retirement, veterans may maintain TRICARE benefits, but they are responsible for paying any applicable cost-shares, including enrollment fees, deductibles, or copayments, which may be as much as \$3,000 per year. The Employees Retirement System of Texas estimates that there are approximately 8,000 veterans working for the state who are TRICARE eligible but who are currently accessing health care through plans offered by the state due to the high out-of-pocket costs associated with TRICARE benefits. The state would save money if those veterans chose to obtain health care benefits through TRICARE.

H.B. 3307 seeks to offset the out-of-pocket costs associated with TRICARE benefits for those veterans to incentivize their use of those benefits and help both the state and the retired veterans save money on health care costs.

H.B. 3307 amends current law relating to the authority of the Employees Retirement System of Texas to make available a TRICARE Military Health System supplemental plan.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of trustees of the Employees Retirement System in SECTION 1 (Section 1551.227, Insurance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 1551, Insurance Code, by adding Section 1551.227, as follows:

Sec. 1551.227. TRICARE MILITARY HEALTH SYSTEM SUPPLEMENTAL PLAN.

(a) Requires the board of trustees to make available a TRICARE Military Health System supplemental plan to an employee or annuitant who waives coverage under the basic coverage plan under Section 1551.1045 (Waiver) and is eligible for benefits under the TRICARE Military Health System. Prohibits the board of trustees from contributing to the cost of the supplemental plan, including the premium cost.

(b) Requires that a plan offered under this section be considered a permissible offering to TRICARE participants and beneficiaries under 10 U.S.C. Section 1097c.

(c) Authorizes the board of trustees to adopt rules necessary to implement this section, including rules regarding eligibility for the plan, available insurance products, and enrollment in the plan.

SECTION 2. Effective date: upon passage or September 1, 2015.