

By: Delisi

H.B. No. 3332

A BILL TO BE ENTITLED

AN ACT

relating to certain group benefit plans provided to certain governmental officers, employees, and retirees and their dependents.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. TEXAS SCHOOL EMPLOYEES UNIFORM GROUP HEALTH COVERAGE
ACT AND BENEFITS FOR SCHOOL EMPLOYEES

SECTION 1.01. Section 3, Article 3.50-7, Insurance Code, is amended by adding Subsection (g) to read as follows:

(g) The trustee shall provide the group health coverage plan under this article through a defined contribution plan. The trustee may provide optional coverages offered under the program through the defined contribution plan. The trustee shall adopt rules as necessary to implement this subsection.

SECTION 1.02. Section 2(c), Article 3.50-8, Insurance Code, is amended to read as follows:

(c) The trustee shall distribute funds under this article in equal annual [~~monthly~~] installments. The trustee is entitled to recover from a school district, other educational district, participating charter school, or regional education service center any amount distributed under this article to which the district, school, or service center was not entitled.

SECTION 1.03. Section 2(c), Article 3.50-9, Insurance Code, is amended to read as follows:

1 (c) Amounts used as required by this section shall be
2 deposited, as applicable, in [+

3 [~~(1)~~] the Texas school employees uniform group
4 coverage trust fund established under Section 8, Article 3.50-7, of
5 this code [~~+ or~~

6 [~~(2) another fund established for the payment of~~
7 ~~employee health coverage that meets requirements for those funds~~
8 ~~prescribed by the Texas Education Agency].~~

9 SECTION 1.04. Section 22.004(h), Education Code, is amended
10 to read as follows:

11 (h) An audited financial statement provided under this
12 section must be made in accordance with rules adopted by the board
13 of trustees of the Teacher Retirement System of Texas [~~commissioner~~
14 ~~of insurance or state auditor, as applicable].~~

15 ARTICLE 2. TEXAS EMPLOYEES GROUP BENEFITS ACT

16 SECTION 2.01. Section 1551.105, Insurance Code, as
17 effective June 1, 2003, is amended to read as follows:

18 Sec. 1551.105. DATE AUTOMATIC COVERAGE BEGINS. Automatic
19 coverage for an employee under this subchapter begins on the 90th
20 day after the date the [~~an~~] employee [~~or annuitant~~] becomes
21 eligible for coverage. Automatic coverage for an annuitant under
22 this subchapter begins on the date the annuitant becomes eligible
23 for coverage.

24 SECTION 2.02. Section 1551.101(c), Insurance Code, as
25 effective June 1, 2003, is repealed.

26 SECTION 2.03. Subchapter G, Chapter 1551, Insurance Code,
27 as effective June 1, 2003, is amended by adding Section 1551.321 to

1 read as follows:

2 Sec. 1551.321. MINIMUM CONTRIBUTION OF CERTAIN EMPLOYEES.
3 Notwithstanding Section 1551.319 or any other provision of this
4 chapter, a full-time employee working less than 40 hours a week
5 shall contribute at least 50 percent of the cost of coverage
6 selected by the employee for the employee and at least 75 percent of
7 the cost of coverage selected by the employee for the employee's
8 dependents.

9 ARTICLE 3. TEXAS PUBLIC SCHOOL EMPLOYEES GROUP BENEFITS ACT

10 SECTION 3.01. Section 1575.003(1), Insurance Code, as
11 effective June 1, 2003, is amended to read as follows:

12 (1) "Dependent" means:

13 (A) the spouse of a retiree or active employee;

14 (B) an unmarried child of a retiree, active
15 employee, or deceased active employee if the child is younger than
16 19 ~~25~~ years of age, including:

17 (i) an adopted child;

18 (ii) a foster child, stepchild, or other
19 child who is in a regular parent-child relationship; or

20 (iii) a recognized natural child;

21 (C) a retiree's or active employee's recognized
22 natural child, adopted child, foster child, stepchild, or other
23 child, without regard to the age of the child, if the child is in a
24 regular parent-child relationship, lives with or has the child's
25 care provided by the retiree, active employee, or surviving spouse
26 on a regular basis, and is mentally retarded or physically
27 incapacitated to an extent that the child is dependent on the

1 retiree, active employee, or surviving spouse for care or support,
2 as determined by the board of trustees; or

3 (D) a deceased active employee's recognized
4 natural child, adopted child, foster child, stepchild, or other
5 child who is in a regular parent-child relationship, without regard
6 to the age of the child, if, while the active employee was alive,
7 the child:

8 (i) lived with or had the child's care
9 provided by the active employee on a regular basis; and

10 (ii) was mentally retarded or physically
11 incapacitated to an extent that the child was dependent on the
12 active employee or surviving spouse for care or support, as
13 determined by the board of trustees.

14 SECTION 3.02. Section 1575.159, Insurance Code, as
15 effective June 1, 2003, is amended to read as follows:

16 Sec. 1575.159. COVERAGE FOR PROSTATE-SPECIFIC ANTIGEN
17 TEST. A health benefit plan offered under the group program must
18 provide coverage for a medically accepted prostate-specific
19 antigen test used for the detection of prostate cancer for each male
20 enrolled in the plan who:

21 (1) is at least 55 [~~50~~] years of age; or

22 (2) is at least 35 [~~40~~] years of age and:

23 (A) has a family history of prostate cancer; or

24 (B) exhibits another cancer risk factor.

25 SECTION 3.03. Section 1575.202(a), Insurance Code, as
26 effective June 1, 2003, is amended to read as follows:

27 (a) Each state fiscal year, the state shall contribute to

1 the fund an amount equal to 0.1 [~~0.5~~] percent of the salary of each
2 active employee.

3 SECTION 3.04. Section 1575.203(a), Insurance Code, as
4 effective June 1, 2003, is amended to read as follows:

5 (a) Each state fiscal year, each active employee shall, as a
6 condition of employment, contribute to the fund an amount equal to
7 0.5 [~~0.25~~] percent of the employee's salary.

8 SECTION 3.05. Section 1575.204, Insurance Code, as
9 effective June 1, 2003, is repealed.

10 SECTION 3.06. Section 1577.101, Insurance Code, as
11 effective June 1, 2003, is amended to read as follows:

12 Sec. 1577.101. CONTRACTS TO PROVIDE COVERAGES. The board
13 of trustees may [~~shall~~] contract with one or more carriers
14 authorized to provide the applicable type of insurance to provide
15 each type of coverage required by Subchapter B.

16 ARTICLE 4. STATE UNIVERSITY EMPLOYEES

17 UNIFORM INSURANCE BENEFITS ACT

18 SECTION 4.01. Section 1601.004(a), Insurance Code, as
19 effective June 1, 2003, is amended to read as follows:

20 (a) In this chapter, "dependent," with respect to an
21 individual eligible to participate in the uniform program under
22 Section 1601.101 or 1601.102, means the individual's:

23 (1) spouse;

24 (2) unmarried child younger than 19 [~~25~~] years of age;
25 and

26 (3) child of any age who lives with or has the child's
27 care provided by the individual on a regular basis if the child is

1 mentally retarded or physically incapacitated to the extent that
2 the child is dependent on the individual for care or support, as
3 determined by the system.

4 SECTION 4.02. Section 1601.060(a), Insurance Code, as
5 effective June 1, 2003, is amended to read as follows:

6 (a) A carrier providing coverage purchased under this
7 chapter to a system shall provide an accounting for each line of
8 coverage to the system not later than the 30th [~~120th~~] day after the
9 end of each calendar quarter [~~plan year~~].

10 SECTION 4.03. Section 1601.201, Insurance Code, as
11 effective June 1, 2003, is repealed.

12 ARTICLE 5. EFFECTIVE DATE

13 SECTION 5.01. This Act takes effect September 1, 2003.