

1-1 By: Averitt S.B. No. 240
1-2 (In the Senate - Filed January 21, 2003; February 5, 2003,
1-3 read first time and referred to Committee on State Affairs;
1-4 March 11, 2003, reported favorably by the following vote: Yeas 8,
1-5 Nays 0; March 11, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the enrollment of certain children and recipients of
1-9 medical assistance in group health benefit plans.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 62.059, Health and Safety Code, is
1-12 amended to read as follows:

1-13 Sec. 62.059. HEALTH INSURANCE PREMIUM ASSISTANCE [~~PAYMENT~~
1-14 ~~REIMBURSEMENT~~] PROGRAM FOR CHILDREN ELIGIBLE FOR CHILD HEALTH PLAN.

1-15 (a) In this section, "group health benefit plan" has the meaning
1-16 assigned by Article 21.52K, Insurance Code.

1-17 (b) ~~The [Under the direction of the] commission[, the Texas~~
1-18 ~~Department of Health]~~ shall identify children, otherwise eligible
1-19 to enroll in the state child health plan under this chapter, who are
1-20 eligible to enroll in a group health benefit plan.

1-21 (c) For a child identified under Subsection (b), the
1-22 commission [department] shall determine whether it is
1-23 cost-effective to enroll the child in the group health benefit plan
1-24 under this section. The commission may determine
1-25 cost-effectiveness on an aggregate basis for the premium assistance
1-26 program as a whole.

1-27 (d) If the commission [department] determines that it is
1-28 cost-effective to enroll the child in the group health benefit
1-29 plan, the commission [department] shall:

1-30 (1) inform [require] the child and the child's parent
1-31 or guardian of the availability of the premium assistance program
1-32 [to apply to enroll in the group health benefit plan as a condition
1-33 for eligibility] under this section [chapter]; [and]

1-34 (2) offer, as an optional alternative to enrollment in
1-35 the commission's state child health plan program, a premium
1-36 assistance payment to assist with the employee's or member's share
1-37 of the required premiums for the group health benefit plan that is
1-38 available to the child; and

1-39 (3) provide written notice to the issuer of the group
1-40 health benefit plan in accordance with Article 21.52K, Insurance
1-41 Code.

1-42 (e) The commission [department] shall determine the amount
1-43 of the premium assistance [provide for] payment. The premium
1-44 assistance payment shall be paid only for the reimbursement of the
1-45 employee's or member's share of required premiums for coverage of a
1-46 child enrolled in the group health benefit plan.

1-47 (f) The premium assistance payment [In addition to any
1-48 amount] paid under Subsection (e)[, the department] may provide
1-49 assistance for the payment of a group health benefit plan premium
1-50 that includes [for] the child's parent or other individuals [for an
1-51 individual] who are members [is a member] of the child's family [if.

1-52 [(1) the child is not eligible to be enrolled in the
1-53 group health benefit plan unless the other individual is also
1-54 enrolled in the plan; and

1-55 [(2) the department determines it to be
1-56 cost-effective].

1-57 (g) The commission [department] may not provide for the
1-58 payment of any deductible, copayment, coinsurance, or other
1-59 cost-sharing obligation for the child or another individual
1-60 enrolled in a group health benefit plan under Subsection (f).

1-61 (h) ~~[Enrollment of a child in a group health benefit plan~~
1-62 ~~under this chapter does not affect the child's eligibility for~~
1-63 ~~benefits under this chapter, except that the program is the payor of~~
1-64 ~~last resort for those benefits.~~

2-1 [~~(i)~~] The commission [~~department~~] may consolidate or
2-2 coordinate the administration of the program provided under this
2-3 section with a similar program provided under Section 32.0422,
2-4 Human Resources Code, for individuals eligible for medical
2-5 assistance under the state Medicaid program.

2-6 SECTION 2. Subsections (a), (b), and (f), Section 2,
2-7 Article 21.52K, Insurance Code, are amended to read as follows:

2-8 (a) The issuer of a group health benefit plan, on receipt of
2-9 written notice from the [~~Texas Department of~~] Health and Human
2-10 Services Commission or a designee of the commission [~~Texas~~
2-11 ~~Department of Health~~] that states that an individual who is
2-12 otherwise eligible for enrollment in the plan is a recipient of
2-13 medical assistance under the state Medicaid program and is a
2-14 participant in the health insurance premium payment reimbursement
2-15 program for medical assistance recipients under Section 32.0422,
2-16 Human Resources Code, shall permit the individual to enroll in the
2-17 plan without regard to any enrollment period restriction.

2-18 (b) The issuer of a group health benefit plan, on receipt of
2-19 written notice from the [~~Texas Department of~~] Health and Human
2-20 Services Commission or a designee of the commission [~~Texas~~
2-21 ~~Department of Health~~] that states that a child who is otherwise
2-22 eligible for enrollment in the plan is enrolled in the state child
2-23 health plan under Chapter 62, Health and Safety Code, and is a
2-24 participant in the health insurance premium assistance [~~payment~~
2-25 ~~reimbursement~~] program under Section 62.059, Health and Safety
2-26 Code, provided for children eligible for the state child health
2-27 plan, shall permit the child to enroll in the group health benefit
2-28 plan without regard to any enrollment period restriction.

2-29 (f) Notwithstanding any other requirement of the group
2-30 health benefit plan, the issuer of the plan shall permit an
2-31 individual who is enrolled in a group health benefit plan under
2-32 Subsection (b) of this section, and any family member of the
2-33 individual enrolled under Subsection (c) of this section, to
2-34 terminate enrollment in the plan not later than the 60th day after
2-35 the date on which the individual provides satisfactory proof to the
2-36 issuer that the child is no longer a participant in the health
2-37 insurance premium assistance [~~payment reimbursement~~] program under
2-38 Section 62.059, Health and Safety Code, provided for children
2-39 eligible for the state child health plan.

2-40 SECTION 3. (a) This Act takes effect September 1, 2003.

2-41 (b) The changes in law made by this Act apply only to a group
2-42 health benefit plan that is delivered, issued for delivery, or
2-43 renewed on or after September 1, 2003. A group health benefit plan
2-44 that is delivered, issued for delivery, or renewed before September
2-45 1, 2003, is governed by the law as it existed immediately before
2-46 that date, and that law is continued in effect for that purpose.

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