

By: Duncan

S.B. No. 1369

A BILL TO BE ENTITLED

AN ACT

relating to certain group benefit plans provided to certain school 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:

(c) Amounts used as required by this section shall be

1 deposited, as applicable, in [+

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

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

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

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

14 ARTICLE 2. TEXAS PUBLIC SCHOOL EMPLOYEES GROUP BENEFITS ACT

15 SECTION 2.01. Section 1575.003(1), Insurance Code, as
16 effective June 1, 2003, is amended to read as follows:

17 (1) "Dependent" means:

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

19 (B) an unmarried child of a retiree, active
20 employee, or deceased active employee if the child is younger than
21 19 [~~25~~] years of age, including:

22 (i) an adopted child;

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

25 (iii) a recognized natural child;

26 (C) a retiree's or active employee's recognized
27 natural child, adopted child, foster child, stepchild, or other

1 child, without regard to the age of the child, if the child is in a
2 regular parent-child relationship, lives with or has the child's
3 care provided by the retiree, active employee, or surviving spouse
4 on a regular basis, and is mentally retarded or physically
5 incapacitated to an extent that the child is dependent on the
6 retiree, active employee, or surviving spouse for care or support,
7 as determined by the board of trustees; or

8 (D) a deceased active employee's recognized
9 natural child, adopted child, foster child, stepchild, or other
10 child who is in a regular parent-child relationship, without regard
11 to the age of the child, if, while the active employee was alive,
12 the child:

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

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

19 SECTION 2.02. Section 1575.159, Insurance Code, as
20 effective June 1, 2003, is amended to read as follows:

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

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

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

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

2 (B) exhibits another cancer risk factor.

3 SECTION 2.03. Section 1575.202(a), Insurance Code, as
4 effective June 1, 2003, is amended to read as follows:

5 (a) Each state fiscal year, the state shall contribute to
6 the fund an amount equal to 0.1 [~~0.5~~] percent of the salary of each
7 active employee.

8 SECTION 2.04. Section 1575.203(a), Insurance Code, as
9 effective June 1, 2003, is amended to read as follows:

10 (a) Each state fiscal year, each active employee shall, as a
11 condition of employment, contribute to the fund an amount equal to
12 0.5 [~~0.25~~] percent of the employee's salary.

13 SECTION 2.05. Section 1575.204, Insurance Code, as
14 effective June 1, 2003, is repealed.

15 SECTION 2.06. Section 1577.101, Insurance Code, as
16 effective June 1, 2003, is amended to read as follows:

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

21 ARTICLE 3. EFFECTIVE DATE

22 SECTION 3.01. This Act takes effect September 1, 2003.