

By: Barrientos, Wentworth

S.B. No. 1677

A BILL TO BE ENTITLED

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AN ACT

relating to the powers and duties of the board of hospital managers of the Travis County Hospital District and to health care services to be provided to certain employees of that district and to certain employees of counties within the state.

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

SECTION 1. Subsection (a), Section 157.002, Local Government Code, is amended to read as follows:

(a) The commissioners court by rule may provide for medical care and hospitalization and may provide for compensation, accident, hospital, and disability insurance for the following persons if their salaries are paid from the funds of the county or funds of a flood control district located entirely in the county, or funds of a hospital district described by Section 281.0475, Health and Safety Code, located entirely in the county, or if they are employees of another governmental entity for which the county is obligated to provide benefits:

(1) deputies, assistants, and other employees of the county, or of the flood control district, or of the hospital district, who work under the commissioners court or its appointees;

(2) county and district officers and their deputies and assistants appointed under Subchapter A, Chapter 151;

(3) employees appointed under Section 10(a), Article 42.12, Code of Criminal Procedure;

1 (4) any retired person formerly holding any status
2 listed above; and

3 (5) the dependents of any person listed above.

4 SECTION 2. Subsection (b), Section 157.003, Local
5 Government Code, is amended to read as follows:

6 (b) A person who elects to participate in the health plan
7 must authorize contributions to the fund by salary deduction. The
8 authorization must be in writing and must be given at the time of
9 the person's employment or on the effective date of the rules. The
10 county and any participating flood control district or hospital
11 district shall also contribute to the fund. A person who does not
12 contribute to the plan may not receive hospitalization or insurance
13 benefits.

14 SECTION 3. Subchapter A, Chapter 157, Local Government
15 Code, is amended by adding Section 157.008 to read as follows:

16 Sec. 157.008. NO INSURANCE POOL OR COMPANY CREATED. Unless
17 a county enters into a contract under Chapter 172, if a county
18 provides for medical care and hospitalization or provides for
19 compensation, accident, hospital, and disability insurance to the
20 persons listed in Section 157.002(a)(1), the county shall not be
21 construed as creating an insurance pool with a district or other
22 governmental entity. If a county provides for medical care and
23 hospitalization or provides for compensation, accident, hospital,
24 and disability insurance to the persons listed in Section
25 157.002(a)(1), the county shall not be construed as an insurance
26 company subject to the requirements of the Insurance Code and to
27 regulation by the Texas Department of Insurance as such.

1 SECTION 4. Subsection (a), Section 157.101, Local
2 Government Code, is amended to read as follows:

3 (a) A commissioners court by rule, including through an
4 intergovernmental risk pool organized under Chapter 172, may
5 provide for group health and related benefits, including medical
6 care, surgical care, hospitalization, and pharmaceutical, life,
7 accident, disability, long-term care, vision, dental, mental
8 health, and substance abuse benefits, for the following persons if
9 their salaries are paid from the funds of the county or funds of a
10 flood control district located entirely in the county, or funds of a
11 hospital district described by Section 281.0475, Health and Safety
12 Code, located entirely in the county, or if they are employees of
13 another governmental entity for which the county is obligated to
14 provide benefits:

15 (1) deputies, assistants, and other employees of the
16 county, or of the flood control district, or of the hospital
17 district, who work under the commissioners court or its appointees;

18 (2) county and district officers and their deputies
19 and assistants appointed under Subchapter A, Chapter 151;

20 (3) employees of a community supervision and
21 corrections department established under Chapter 76, Government
22 Code;

23 (4) a retired person formerly holding a status listed
24 in Subdivisions (1)-(3); and

25 (5) the dependents of a person listed in Subdivisions
26 (1)-(4).

27 SECTION 5. Subsection (b), Section 157.102, Local

1 Government Code, is amended to read as follows:

2 (b) A person who elects to participate in any aspect of the
3 group health and related benefits plan and is required to make
4 contributions toward the payment of the plan must authorize
5 contributions to the fund by salary deduction. The authorization
6 must be submitted in writing to the county officer authorized by the
7 commissioners court to administer payroll deductions. The
8 authorization remains in effect as long as the person is required to
9 make contributions toward the payment of the plan. If the amount of
10 the person's required contributions changes after the date the
11 request for deduction is submitted, the county shall notify the
12 person of the change before the change takes effect. The county and
13 any participating flood control district or hospital district may
14 also contribute to the fund.

15 SECTION 6. Subchapter F, Chapter 157, Local Government
16 Code, is amended by adding Section 157.106 to read as follows:

17 Sec. 157.106. NO INSURANCE POOL OR COMPANY CREATED. Unless
18 a county enters into a contract under Chapter 172, if a county
19 provides for medical care and hospitalization or provides for
20 compensation, accident, hospital, and disability insurance to the
21 persons listed in Section 157.101(a)(1), the county shall not be
22 construed as creating an insurance pool with a district or other
23 governmental entity. If a county provides for medical care and
24 hospitalization or provides for compensation, accident, hospital,
25 and disability insurance to the persons listed in Section
26 157.101(a)(1), the county shall not be construed as an insurance
27 company subject to the requirements of the Insurance Code and to

1 regulation by the Texas Department of Insurance as such.

2 SECTION 7. Subdivision (2), Section 1431.001, Government
3 Code, is amended to read as follows:

4 (2) "Eligible countywide district" means a flood
5 control district or a hospital district the boundaries of which are
6 substantially coterminous with the boundaries of a county with a
7 population of three million or more or a hospital district created
8 in a county with a population of more than 800,000 that was not
9 included in the boundaries of a hospital district before September
10 1, 2003.

11 SECTION 8. Subchapter C, Chapter 281, Health and Safety
12 Code, is amended by adding Section 281.0475 to read as follows:

13 Sec. 281.0475. RENAMING DISTRICT. (a) This section
14 applies only to a district created in a county with a population of
15 more than 800,000 that was not included in the boundaries of a
16 hospital district before September 1, 2003.

17 (b) With the approval of the commissioners court, the board
18 may rename the district.

19 SECTION 9. Subchapter C, Chapter 281, Health and Safety
20 Code, is amended by adding Section 281.0513 to read as follows:

21 Sec. 281.0513. CONTRACTING AUTHORITY OF CERTAIN DISTRICTS.
22 (a) This section applies only to a district created in a county
23 with a population of more than 800,000 that was not included in the
24 boundaries of a hospital district before September 1, 2003.

25 (b) With the approval of the commissioners court, the board
26 may contract with a person, private entity, or public entity,
27 including a municipality, county, special district, or other

1 political subdivision of this state, to provide or assist in the
2 provision of services.

3 SECTION 10. Section 281.0461, Health and Safety Code, is
4 repealed.

5 SECTION 11. This Act takes effect immediately if it
6 receives a vote of two-thirds of all the members elected to each
7 house, as provided by Section 39, Article III, Texas Constitution.
8 If this Act does not receive the vote necessary for immediate
9 effect, this Act takes effect September 1, 2005.