

BILL ANALYSIS

H.B. 1238
By: Noriega, Rick
Higher Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

College health centers may accept private health insurance, but the vast majority do not; they remain the only businesses in American medicine that do not. Therefore, the most logical funding mechanism, billing for an office visit, does not occur. Furthermore, students and their parents effectively pay twice or thrice— first for an insurance premium, then student health center fees and often yet again for ancillary charges – the x-rays and labs. College health centers will give students a reimbursement form to submit to their insurance company but, primarily because all the college health center doctors are “out-of-network,” reimbursement rarely occurs.

At the same time, college health centers face significant funding concerns. They subsidize uninsured students, who now pay full price for ancillary charges because the health centers have no funding flexibility. There are also unmet mental health needs, as well as limited staffing for health and wellness, education and prevention programs.

HB 1238 provides for billing third party insurance agencies and allows college health centers to maintain a model of financial self-stability. It permits them to fund their own needs without unnecessary reliance on increasing student fees or limited state dollars.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1: Subchapter Z, Chapter 51 of the Education Code is amended by adding Section 51.953. Defines "health benefit plan," and "institutions of higher education." The governing board of an institution of higher education may require the institution's student health center to assist a student or other person entitled to obtain health care services from the health center in receiving benefits under a health benefit plan. The institution may do this by filing or having a claim filed with the health benefit plan issuer on behalf of the student or other person.

An institution of higher education on behalf of the institution's student health center located within the geographic service area of a health benefit plan may contract with the issuer to provide health care services under the plan to students or other persons entitled to obtain health care services from the health center who are covered by the plan.

Amounts received by an institution of higher education from a health benefit plan issuer as a result of a claim filed with the issuer by or on behalf of the institution's student health center are institutional funds and may be used only for the construction, improvement, operation, or maintenance of the student health center or to increase or enhance the services offered by the student health center. It is the intent of the legislature that those amounts be in addition to other amounts of money allocated to the student health center and that those other amounts not be reduced.

Not later than January 15 of each year, the governing board of an institution of higher education shall report to the legislature specific sources of income for funding the institution's student health center. These sources include, money received from student fees and charges, money received from the operation of the student health center's pharmacy, money received as a result of a claim filed by or on behalf of the institution's student health center under a health benefit

plan sponsored by or administered on behalf of the institution, and money received as a result of a claim filed by or on behalf of the institution's student health center under a health benefit plan other than a plan sponsored by or administered on behalf of the institution.

SECTION 2: Effective date.

EFFECTIVE DATE

This Act takes effect September 1, 2007.