

BILL ANALYSIS

Senate Research Center
80R2616 DLF-F

H.B. 3470
By: Delisi (Williams)
State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 79th Legislature, Regular Session, 2005 enacted legislation to facilitate state employees whose prior military service authorized them to access TRICARE health benefits to volunteer to use their TRICARE benefits in lieu of their standard state health care benefits. The state would assist these employees by offering access to an enhanced TRICARE benefits package. This arrangement would provide financial benefits to both the state and its employees. However, implementation of the program to provide for such an arrangement was delayed due to an unanticipated statutory conflict that prevented the Employees Retirement System (ERS) from awarding the contract.

H.B. 3470 reconciles the conflict and authorizes ERS to implement the program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1551.221, Insurance Code, as added by Chapter 178, Acts of the 79th Legislature, Regular Session, 2005, by amending Subsection (d) and adding Subsection (d-1), as follows:

(d) Authorizes the board of trustees (board) of the Employees Retirement System of Texas (ERS) to offer the coverage through an entity that is not an eligible carrier but that is authorized to offer health insurance.

(d-1) Authorizes the board, if it enters into a contract under Subsection (d), to determine that ERS or any other entity may be named policyholder.

SECTION 2. Repealer: Section 1551.221 (Optional Supplemental Health Coverage for Individuals Eligible Under TRICARE Military Health System), Insurance Code, as added by Chapter 899, Acts of the 79th Legislature, Regular Session, 2005.

SECTION 3. Authorizes the board, in implementing the voluntary supplemental health coverage program under Section 1551.221, Insurance Code, as amended by this Act, to enter into a contract based on a request for proposal before this Act's effective date. Provides that an entity seeking to contract with the system under the program is not required to resubmit a proposal if the entity submitted a proposal before that date in response to the request for proposal by the board. Provides that this section expires September 1, 2008.

SECTION 4. Effective date: upon passage or September 1, 2007.