

BILL ANALYSIS

S.B. 2040
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The percentage of United States adults classified as obese doubled between 1980 and 2000, from 15 percent of the adult population to 31 percent. Morbidly obese males between 25 and 35 have 12 times the chance of dying as men with normal weight, while a morbidly obese adult has one-third the chance of a normal weight person of living to the age of 65. Currently, \$200 million, or 9.1 percent of national health related costs are associated with obesity and obesity related co-morbid conditions. The need for coverage for bariatric surgery stems from a 100 percent failure rate of non-surgical treatment for those suffering from morbid obesity.

S.B. 2040 authorizes a state agency to use available public funds to provide certain state employees coverage for the expenses of bariatric surgical procedures. This bill also creates an interim committee to study the issue of providing coverage for such surgery for state employees.

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. Amends Subtitle B, Title 6, Government Code, by adding Chapter 672, as follows:

CHAPTER 672. BARIATRIC SURGERY BENEFITS FOR STATE EMPLOYEES

Sec. 672.001. DEFINITION. Defines "state agency."

Sec. 672.002. PROVISION OF BENEFIT. (a) Defines "service."

(b) Authorizes a state agency to use available public funds to provide to an employee of the state agency with at least five years of service coverage for the expenses of bariatric surgical procedures, except as provided by Subsection (c).

(c) Prohibits coverage from being provided to an employee under this section to the extent that coverage is available to the employee under Chapter 1551 (Texas Employees Group Benefits Act), Insurance Code.

SECTION 2. (a) An interim committee is created to study the cost that the state would be expected to incur and the benefits the state would be expected to realize by providing coverage for bariatric surgical procedures for state employees. The committee shall also study the short-term and long-term risks and benefits to overweight or obese individuals of weight loss accomplished through bariatric surgical procedures or other methods, in terms of the individuals' health, well-being, and productivity. The committee's study must include, to the extent feasible, a study of the costs incurred and benefits realized by any agency or political subdivision of the state that has provided benefits for bariatric surgical procedures to the employees of the agency or political subdivision and the outcomes realized by those employees. An agency or political subdivision that provides a benefit described by this subsection shall provide the committee with any information related to the provision of those benefits, other than information that would identify the recipient of the benefit.

(b) The committee consists of the following five members:
(1) two senators appointed by the lieutenant governor
(2) two representatives appointed by the speaker of the house of representatives;
and

(3) one member appointed by the governor, who shall serve as the committee's presiding officer.

(c) The committee shall convene at the call of the presiding officer.

(d) Provides that the committee has all other powers and duties provided to a special or select committee by the rules of the senate and house of representatives, by Subchapter B, Chapter 301, Government Code, and by policies of the senate and house committees on administration.

(e) From the contingent expense fund of the senate and the contingent expense fund of the house of representatives equally, the members of the committee are entitled to reimbursement for expenses incurred in carrying out the provisions of this section in accordance with the rules of the senate and house of representatives and the policies of the senate and house committees on administration..

(f) Not later than January 15, 2009, the committee shall report the committee's findings and recommendations to the lieutenant governor, the speaker of the house of representatives, and the governor. The committee shall include in its recommendations specific statutory changes that appear necessary or advisable from the results of the committee's study under Subsection (a) of this section, including changes to Chapter 1551, Insurance Code.

(g) Not later than the 60th day after the effective date of this Act, the lieutenant governor, the speaker of the house of representatives, and the governor shall appoint the members of the interim committee created under this section.

(h) Provides that this section expires September 1, 2009.

SECTION 3. Effective date: September 1, 2007.

EFFECTIVE DATE

September 1, 2007.