

By: Martinez

H.B. No. 93

A BILL TO BE ENTITLED

AN ACT

relating to health insurance benefits provided to certain public school retirees and their dependents.

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

SECTION 1. Section 1575.152, Insurance Code, is amended to read as follows:

Sec. 1575.152. REQUIREMENTS FOR BASIC PLAN [~~MUST COVER PREEXISTING CONDITIONS~~]. A basic plan must:

(1) cover preexisting conditions; and

(2) provide for a coinsurance payment by an insured that does not exceed 10 percent.

SECTION 2. Section 1575.161, Insurance Code, is amended by adding Subsection (f) to read as follows:

(f) The trustee by rule shall set for each calendar year at least one open enrollment period during which a retiree may select or modify previously selected coverage under this chapter. The open enrollment period set under this subsection must be at least 30 days.

SECTION 3. Section 1575.211, Insurance Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) In determining the allocation of total costs under this section, the state shall pay the same percentage of the cost of coverage for a retiree and a retiree's dependents under the basic

1 plan as the state annually contributes for an annuitant and an  
2 annuitant's dependents covered by the basic coverage plan under  
3 Chapter 1551. The ~~[not more than 55 percent of the total costs,~~  
4 ~~retirees shall pay at least 30 percent of the total costs, and the]~~  
5 balance of the cost of coverage under the basic plan for a retiree  
6 and a retiree's dependents under the basic plan shall be paid by  
7 active employees and public schools.

8 (c) The trustee by rule shall allocate the total cost of  
9 coverage for a retiree and a retiree's dependents in an optional  
10 plan elected by the retiree among the state, retirees, active  
11 employees, and public schools. The allocation adopted by the  
12 trustee under this subsection must comply with the requirements of  
13 Section 1575.205.

14 SECTION 4. Section 1575.212, Insurance Code, is repealed.

15 SECTION 5. The Teacher Retirement System of Texas shall set  
16 and hold the first open enrollment period required by Section  
17 1575.161(f), Insurance Code, as added by this Act, not later than  
18 July 1, 2008.

19 SECTION 6. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2007.