

1-1 By: Delisi (Senate Sponsor - Williams) H.B. No. 3470  
1-2 (In the Senate - Received from the House May 11, 2007;  
1-3 May 15, 2007, read first time and referred to Committee on State  
1-4 Affairs; May 18, 2007, reported favorably by the following vote:  
1-5 Yeas 7, Nays 0; May 18, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the program of supplemental health coverage for  
1-9 individuals eligible under the TRICARE military health system  
1-10 offered through the Employees Retirement System of Texas.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 1551.221, Insurance Code, as added by  
1-13 Chapter 178, Acts of the 79th Legislature, Regular Session, 2005,  
1-14 is amended by amending Subsection (d) and adding Subsection (d-1)  
1-15 to read as follows:

1-16 (d) The board of trustees may:

1-17 (1) purchase the supplemental health coverage in  
1-18 accordance with Sections 1551.213-1551.216;

1-19 (2) offer the coverage through an entity that is not an  
1-20 eligible carrier but that is authorized to offer health insurance;  
1-21 or

1-22 (3) [~~or~~] if the board of trustees determines that it  
1-23 would be cost-effective, [~~may~~] provide the supplemental health  
1-24 coverage directly from the employees life, accident, and health  
1-25 insurance benefits fund in accordance with Sections  
1-26 1551.208-1551.212.

1-27 (d-1) If the board of trustees enters into a contract under  
1-28 Subsection (d), the board may determine that the Employees  
1-29 Retirement System of Texas or any other entity may be named  
1-30 policyholder.

1-31 SECTION 2. Section 1551.221, Insurance Code, as added by  
1-32 Chapter 899, Acts of the 79th Legislature, Regular Session, 2005,  
1-33 is repealed.

1-34 SECTION 3. In implementing the voluntary supplemental  
1-35 health coverage program under Section 1551.221, Insurance Code, as  
1-36 amended by this Act, the board of trustees of the Employees  
1-37 Retirement System of Texas may enter into a contract based on a  
1-38 request for proposal before the effective date of this Act. An  
1-39 entity seeking to contract with the system under the program is not  
1-40 required to resubmit a proposal if the entity submitted a proposal  
1-41 before the effective date of this Act in response to the request for  
1-42 proposal by the board of trustees. This section expires September  
1-43 1, 2008.

1-44 SECTION 4. This Act takes effect immediately if it receives  
1-45 a vote of two-thirds of all the members elected to each house, as  
1-46 provided by Section 39, Article III, Texas Constitution. If this  
1-47 Act does not receive the vote necessary for immediate effect, this  
1-48 Act takes effect September 1, 2007.

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