

By: Zaffirini

S.B. No. 7

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the eligibility of certain employees, postdoctoral
3 fellows, and graduate students to participate in health benefit
4 programs at public institutions of higher education.

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

6 SECTION 1. Subchapter C, Chapter 1551, Insurance Code, is
7 amended by adding Section 1551.1022 to read as follows:

8 Sec. 1551.1022. PARTICIPATION ELIGIBILITY: CERTAIN

9 POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual is
10 eligible to participate in the group benefits program if the
11 individual, at an institution of higher education:

12 (1) holds a postdoctoral fellowship; or

13 (2) holds other graduate fellowships awarded to the
14 individual on a competitive basis that, either singly or in
15 combination, are valued at not less than \$10,000.

16 (b) An institution of higher education at which an
17 individual holds a fellowship described by Subsection (a) is
18 responsible for payment of the contributions for the individual.

19 Each participant shall contribute that portion of the cost of the
20 group coverage selected by the individual that exceeds the amount
21 of contribution funded by the institution. All portions of the

22 contribution funded by the institution shall be made in proportion
23 to the source of funds from which the fellowship is paid, to the
24 extent allowed by the terms of the fellowship.

1 (c) An institution of higher education shall, at the time of
2 initial eligibility, notify each of the individuals eligible to
3 participate in the group benefits program under Subsection (a) of
4 the individual's eligibility to participate in the program.

5 SECTION 2. Subchapter G, Chapter 1551, Insurance Code, is
6 amended by adding Section 1551.3111 to read as follows:

7 Sec. 1551.3111. AMOUNT OF STATE CONTRIBUTION FOR CERTAIN
8 JUNIOR COLLEGE EMPLOYEES. (a) In determining the amount to be
9 certified under Section 1551.311, the board of trustees shall
10 include eligible public junior college employees.

11 (b) For purposes of this section, a public junior college
12 employee is eligible if the employee is:

13 (1) otherwise eligible to participate in the group
14 benefits program; and

15 (2) an instructional or administrative employee whose
16 salary may be fully paid from funds appropriated under the General
17 Appropriations Act, regardless of whether the salary is actually
18 paid from appropriated funds.

19 (c) In determining the amount described in Subsection (a),
20 the number of eligible employees included for each college in each
21 biennium shall be adjusted in proportion to the change in student
22 enrollment at each college during the reporting period, except that
23 a college that experiences a decline in student enrollment may
24 petition to maintain the number of eligible employees at the same
25 level as the prior biennium.

26 SECTION 3. Subchapter C, Chapter 1601, Insurance Code, is
27 amended by adding Section 1601.1021 to read as follows:

1 Sec. 1601.1021. PARTICIPATION ELIGIBILITY: CERTAIN
2 POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual is
3 eligible to participate in the uniform program if the individual,
4 at an institution in a system:

5 (1) holds a postdoctoral fellowship; or

6 (2) holds other graduate fellowships awarded to the
7 individual on a competitive basis that, either singly or in
8 combination, are valued at not less than \$10,000.

9 (b) An institution of higher education at which an
10 individual holds a fellowship described by Subsection (a) is
11 responsible for payment of the contributions for the individual.
12 Each participant shall contribute that portion of the cost of the
13 group coverage selected by the individual that exceeds the amount
14 of contribution funded by the institution. All portions of the
15 contribution funded by the institution shall be made in proportion
16 to the source of funds from which the fellowship is paid, to the
17 extent allowed by the terms of the fellowship.

18 (c) An institution of higher education shall, at the time of
19 initial eligibility, notify each of the individuals eligible to
20 participate in the group benefits program under Subsection (a) of
21 the individual's eligibility to participate in the program.

22 SECTION 4. Effective January 1, 2010, Section 1601.101(d),
23 Insurance Code, is repealed.

24 SECTION 5. (a) The board of trustees of the Employees
25 Retirement System of Texas shall include coverage under Section
26 1551.1022, Insurance Code, as added by this Act, in an insurance
27 policy or contract or evidence of coverage delivered, issued for

1 delivery, or renewed on or after January 1, 2010. The board of
2 trustees may include coverage under Section 1551.1022, Insurance
3 Code, as added by this Act, in an insurance policy or contract or an
4 evidence of coverage delivered, issued for delivery, or renewed
5 before January 1, 2010, if the board of trustees determines that the
6 coverage may reasonably be included.

7 (b) The governing board of The University of Texas System or
8 The Texas A&M University System, as applicable, shall include
9 coverage under Section 1601.1021, Insurance Code, as added by this
10 Act, in an insurance policy or contract or evidence of coverage
11 delivered, issued for delivery, or renewed on or after January 1,
12 2010. The governing board of a system may include coverage under
13 Section 1601.1021, Insurance Code, as added by this Act, in an
14 insurance policy or contract or an evidence of coverage delivered,
15 issued for delivery, or renewed before January 1, 2010, if the
16 governing board determines that the coverage may reasonably be
17 included.

18 SECTION 6. Except as otherwise provided by this Act, this
19 Act takes effect November 1, 2009.