

Amend **HB 1795** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION 1. Subdivision (2), Section 62.002, Health and Safety Code, is amended to read as follows:

(2) "Executive commissioner" or "commissioner [~~Commissioner~~]" means the executive commissioner of the Health [~~health~~] and Human Services Commission [~~human services~~].

SECTION 2. Subsection (b), Section 62.101, Health and Safety Code, is amended to read as follows:

(b) The commission shall establish income eligibility levels consistent with Title XXI, Social Security Act (42 U.S.C. Section 1397aa et seq.), as amended, and any other applicable law or regulations, and subject to the availability of appropriated money, so that a child who is younger than 19 years of age and whose net family income is at or below 300 [~~200~~] percent of the federal poverty level is eligible for health benefits coverage under the program. In addition, the commission may establish eligibility standards regarding the amount and types of allowable assets for a family whose net family income is above 250 [~~150~~] percent of the federal poverty level.

SECTION 3. Subsections (b) and (c), Section 62.102, Health and Safety Code, are amended to read as follows:

(b) During the sixth month following the date of initial enrollment or reenrollment of an individual whose net family income exceeds 285 [~~185~~] percent of the federal poverty level, the commission shall:

(1) review the individual's net family income and may use electronic technology if available and appropriate; and

(2) continue to provide coverage if the individual's net family income does not exceed the income eligibility limits prescribed by Section 62.101 [~~this chapter~~].

(c) If, during the review required under Subsection (b), the commission determines that the individual's net family income exceeds the income eligibility limits prescribed by Section 62.101 [~~this chapter~~], the commission may not disenroll the individual until:

(1) the commission has provided the family an opportunity to demonstrate that the family's net family income is within the income eligibility limits prescribed by Section 62.101 [~~this chapter~~]; and

(2) the family fails to demonstrate such eligibility.

SECTION 4. Section 62.151, Health and Safety Code, is amended by adding Subsection (g) to read as follows:

(g) In developing the plan, the commission, subject to federal requirements, may choose to provide dental benefits at full cost to the enrollee as an available plan option for a child whose net family income is greater than 200 percent but not greater than 300 percent of the federal poverty level.

SECTION 5. Section 62.153, Health and Safety Code, is amended by amending Subsections (a) and (c) and adding Subsections (a-1) and (a-2) to read as follows:

(a) To the extent permitted under 42 U.S.C. Section 1397cc, as amended, and any other applicable law or regulations, the commission shall require enrollees whose net family incomes are at or below 200 percent of the federal poverty level to share the cost of the child health plan, including provisions requiring enrollees under the child health plan to pay:

- (1) a copayment for services provided under the plan;
- (2) an enrollment fee; or
- (3) a portion of the plan premium.

(a-1) The commission shall require enrollees whose net family incomes are greater than 200 percent but not greater than 300 percent of the federal poverty level to pay a share of the cost of the child health plan through copayments, fees, and a portion of the plan premium. The total amount of the share required to be paid must:

(1) include a portion of the plan premium set at an amount determined by the commission that is not more than 2.5 percent of an enrollee's net family income;

(2) exceed the amount required to be paid by enrollees described by Subsection (a), but the total amount required to be paid may not exceed five percent of an enrollee's net family income;
and

(3) increase incrementally, as determined by the commission, as an enrollee's net family income increases.

(a-2) In establishing the cost required to be paid by an enrollee described by Subsection (a-1) as a portion of the plan premium, the commission shall ensure that the cost progressively increases as the number of children in the enrollee's family provided coverage increases.

(c) The [~~If cost-sharing provisions imposed under Subsection (a) include requirements that enrollees pay a portion of the plan premium, the~~] commission shall specify the manner of payment for any portion of the plan premium required to be paid by an enrollee under this section [~~in which the premium is paid~~]. The commission may require that the premium be paid to the [~~Texas Department of~~] Health and Human Services Commission, the [~~Texas~~] Department of State Health [~~Human~~] Services, or the health plan provider. The commission shall develop an option for an enrollee to pay monthly premiums using direct debits to bank accounts or credit cards.

SECTION 6. Section 62.154, Health and Safety Code, is amended by amending Subsection (d) and adding Subsection (e) to read as follows:

(d) The waiting period required by Subsection (a) for a child whose net family income is at or below 200 percent of the federal poverty level must:

(1) extend for a period of 90 days after the last date on which the applicant was covered under a health benefits plan; and

(2) apply to a child who was covered by a health benefits plan at any time during the 90 days before the date of application for coverage under the child health plan.

(e) The waiting period required by Subsection (a) for a child whose net family income is greater than 200 percent but not greater than 300 percent of the federal poverty level must:

(1) extend for a period of 180 days after the last date on which the applicant was covered under a health benefits plan; and

(2) apply to a child who was covered by a health benefits plan at any time during the 180 days before the date of

application for coverage under the child health plan.

SECTION 7. Subchapter D, Chapter 62, Health and Safety Code, is amended by adding Section 62.1551 to read as follows:

Sec. 62.1551. TERMINATION OF COVERAGE FOR NONPAYMENT OF PREMIUMS. (a) In this section, "lock-out period" means a period after coverage is terminated for nonpayment of premiums during which a child may not be reenrolled in the child health plan program.

(b) The executive commissioner by rule shall establish a process that allows for the termination of coverage under the child health plan of an enrollee whose net family income is greater than 200 percent but not greater than 300 percent of the federal poverty level if the enrollee does not pay the premiums required under Section 62.153(a-1).

(c) The rules required by Subsection (b) must:

(1) address the number of payments that may be missed before coverage terminates;

(2) address the process for notifying an enrollee of pending coverage termination; and

(3) provide for an appropriate lock-out period after termination for nonpayment.

SECTION 8. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 9. This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

SECTION 10. This Act takes effect September 1, 2009.