

BILL ANALYSIS

H.B. 582
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Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Children's Health Insurance Program (CHIP) is a federal program that provides health insurance to children whose families do not qualify for Medicaid, yet need assistance to buy health insurance for their children. State and higher education employees, who are not eligible for CHIP, are eligible to apply for a similar program called the State Kids Insurance Program (SKIP). Both of the programs have similar qualification and requalification standards, and these programs are based on the income, the size of an individual's household and other factors. However, under SKIP, an individual who leaves the state employment system through either termination or death is not informed about or referred to additional health care programs for which the individual's family may be eligible. Presently, there is no process in place that provides a referral to CHIP or Children's Medicaid when the SKIP coverage for an individual and the individual's family is terminated through the Employee Retirement System of Texas (ERS).

H.B. 582 requires ERS to establish procedures for a state agency to inform families that their children may be eligible for CHIP or Children's Medicaid when the SKIP coverage is ending as a result of termination of state employment or death of the employee. The agency that formerly employed such individual also would provide information to an individual and the individual's family, who might be eligible for coverage under these programs, regarding the procedures for applying for benefits.

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

H.B. 582 amends the Insurance Code to require the board of trustees of the Employees Retirement System of Texas to establish procedures by which a parent or guardian of a child no longer eligible for dependent child coverage, because of an employee's termination of state employment, is informed through the former employing state agency that the child may be eligible to receive similar benefits under the children's health insurance program or the Medicaid program and is provided information by that agency regarding how to apply for benefits under those programs. The bill requires the board to establish the procedures not later than December 1, 2009.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.