

## **BILL ANALYSIS**

S.B. 872  
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Appropriations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Provisions regarding health insurance coverage for eligible survivors that relate to financial assistance to survivors of certain law enforcement officers, fire fighters, and other persons (Subchapter D, Chapter 615, Government Code) were enacted by S.B. 97, 73rd Legislature, Regular Session, 1993. The intent of the legislation was to allow the surviving family members of a law enforcement officer killed in the line of duty to continue to purchase health insurance from the governmental entity that employed the deceased officer at the same rate that the employee was paying for the insurance.

Since 1993, many governmental entities have complied with the intent of the statute. However, some, including the state, whose health insurance is managed by the Employees Retirement System of Texas (ERS), have failed to comply. ERS, for example, has required the survivors of state peace officers killed in the line of duty to pay the employee portion of the premium, as well as the state's portion of the premium. The cost of insurance for such a family is over \$1,100. In addition, ERS has required survivors to pay the family rate for the insurance which includes two adults in the cost of the premium. Because of the increased cost, many survivors were unable to afford the insurance and allowed it to lapse.

S.B. 872 entitles an eligible survivor of certain law enforcement officers, fire fighters, or other public servants killed in the line of duty to obtain health insurance coverage from the deceased's employer, until a certain time, at the rate paid by current employees of the employing entity. The bill provides a limited opportunity for certain eligible survivors to reapply for health insurance coverage.

### **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**

S.B. 872 amends the Government Code to entitle an eligible surviving spouse of certain law enforcement officers, fire fighters, or other public servants killed in the line of duty to continue to purchase health insurance coverage until the date the surviving spouse becomes eligible for federal Medicare benefits, rather than entitling the surviving spouse to purchase coverage until the earlier of the date the surviving spouse remarries, the date the surviving spouse becomes eligible for group health insurance through another employer, or the date the surviving spouse becomes eligible for federal Medicare benefits.

S.B. 872 entitles an eligible surviving dependent minor child of certain law enforcement officers, fire fighters, or other public servants killed in the line of duty to continue health insurance coverage until the date the dependent reaches the age of 18, rather than entitling the dependent to coverage until the earlier of the date the dependent reaches the age of 18, or the date the dependent becomes eligible for group health benefits through another employer; and entitles an eligible surviving dependent who is not a minor child to continue health insurance coverage until the earlier of the date the dependent becomes eligible for group health insurance through another

employer or the date the dependent becomes eligible for federal Medicare benefits, removing the optional date of when the dependent marries.

S.B. 872 requires an employing entity, in addition to providing to an eligible survivor the initial written notice regarding the survivor's rights regarding health insurance coverage, to send, not later than the 150th day after the date of the decedent's death, a subsequent written notice by certified mail to any eligible survivor who has not already elected to continue coverage on or before that date. The bill extends the date from the 90th day to the 180th day after the date the decedent died that an employing entity must be informed that the eligible survivor elects to continue coverage.

S.B. 872 entitles an eligible survivor of certain law enforcement officers, fire fighters, or other public servants killed in the line of duty to obtain health insurance coverage at the rate paid by current employees of the employing entity for that coverage, rather than purchasing the coverage at the group rate for that coverage that exists at the time of payment. The bill prohibits the survivor from being required to pay a premium amount for coverage that is greater than the premium amount that a current employee of the employing entity without a spouse is required to pay to cover the employee alone or to cover the employee and the employee's dependent children, as applicable to the eligible survivor.

S.B. 872 establishes that health insurance benefits coverage in force on the date of a decedent's death under which certain law enforcement officers, fire fighters, or other public servants killed in the line of duty covered one or more other persons may not lapse before the 181st day after the date of the decedent's death for failure to pay the premium.

S.B. 872 adds a temporary provision, set to expire September 1, 2010, authorizing an eligible survivor of a deceased individual who was killed in the line of duty on or after September 1, 1993, who did not purchase continued health insurance under these provisions within the time allowed after the individual's death or who discontinued coverage after the death, to reapply for coverage under the employing entity's health insurance benefits plan not later than March 1, 2010. The bill entitles an eligible survivor who reapplies for coverage to purchase the coverage according to the same rate schedule and coverage options as would apply had the eligible survivor continued coverage after the individual's death.

#### **EFFECTIVE DATE**

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