By: Naishtat H.B. No. 862

## A BILL TO BE ENTITLED

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- 2 relating to eligibility for the child health plan program.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Section 62.002(2), Health and Safety Code, is
- 5 amended to read as follows:
- 6 (2) "Executive commissioner" or "commissioner
- 7 [Commissioner]" means the <u>executive</u> commissioner of <u>the Health</u>
- 8 [health] and Human Services Commission [human services].
- 9 SECTION 2. Section 62.101(b), Health and Safety Code, is
- 10 amended to read as follows:
- 11 (b) The commission shall establish income eligibility
- 12 levels consistent with Title XXI, Social Security Act (42 U.S.C.
- 13 Section 1397aa et seq.), as amended, and any other applicable law or
- 14 regulations, and subject to the availability of appropriated money,
- 15 so that a child who is younger than 19 years of age and whose net
- 16 family income is at or below 300 [200] percent of the federal
- 17 poverty level is eligible for health benefits coverage under the
- 18 program. In addition, the commission may establish eligibility
- 19 standards regarding the amount and types of allowable assets for a
- 20 family whose net family income is above 250 [150] percent of the
- 21 federal poverty level.
- SECTION 3. Section 62.102(a), Health and Safety Code, is
- 23 amended to read as follows:
- 24 (a) The [Subject to a review under Subsection (b), the]

- 1 commission shall provide that an individual who is determined to be
- 2 eligible for coverage under the child health plan remains eligible
- 3 for those benefits until the earlier of:
- 4 (1) the end of a period not to exceed 12 months,
- 5 beginning the first day of the month following the date of the
- 6 eligibility determination; or
- 7 (2) the individual's 19th birthday.
- 8 SECTION 4. Chapter 62, Health and Safety Code, is amended by
- 9 adding Subchapter F to read as follows:

## 10 SUBCHAPTER F. BUY-IN OPTION

- 11 Sec. 62.251. BUY-IN OPTION FOR CERTAIN CHILDREN. The
- 12 executive commissioner shall develop and implement a buy-in option
- 13 in accordance with this subchapter under which children whose net
- 14 family incomes exceed 300 percent of the federal poverty level are
- 15 eligible to purchase health benefits coverage available under the
- 16 <u>child health plan program.</u>
- 17 Sec. 62.252. RULES; ELIGIBILITY AND COST-SHARING. (a) The
- 18 executive commissioner shall adopt rules in accordance with federal
- 19 law that apply to a child for whom health benefits coverage is
- 20 purchased under this subchapter. The rules must:
- 21 (1) establish eligibility requirements;
- 22 (2) require payment of 100 percent of the health
- 23 benefits plan premium and additional deductibles, coinsurance, or
- 24 other cost-sharing payments as determined by the executive
- 25 commissioner; and
- 26 (3) provide for a waiting period.
- (b) Notwithstanding any other provision of this chapter,

- 1 the executive commissioner may establish rules and procedures for
- 2 children for whom health benefits coverage is purchased under this
- 3 subchapter that differ from the rules and procedures generally
- 4 applicable to the child health plan program.
- 5 Sec. 62.253. CROWD-OUT. To the extent allowed by federal
- 6 law, the buy-in option developed under this subchapter must include
- 7 provisions designed to discourage:
- 8 <u>(1) employers and other persons from electing to</u>
- 9 discontinue offering health benefits plan coverage for employees'
- 10 children under employee or other group health benefits plans; and
- 11 (2) individuals with access to adequate health
- 12 benefits plan coverage for their children from electing not to
- 13 obtain, or to discontinue, that coverage.
- SECTION 5. Sections 62.102(b) and (c), Health and Safety
- 15 Code, are repealed.
- SECTION 6. Not later than January 1, 2010, the executive
- 17 commissioner of the Health and Human Services Commission shall
- 18 adopt rules as necessary to implement Subchapter F, Chapter 62,
- 19 Health and Safety Code, as added by this Act.
- 20 SECTION 7. If before implementing any provision of this Act
- 21 a state agency determines that a waiver or authorization from a
- 22 federal agency is necessary for implementation of that provision,
- 23 the agency affected by the provision shall request the waiver or
- 24 authorization and may delay implementing that provision until the
- 25 waiver or authorization is granted.
- SECTION 8. This Act takes effect September 1, 2009.