

By: Turner of Harris

H.B. No. 1769

A BILL TO BE ENTITLED

AN ACT

relating to the child health plan program.

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

SECTION 1. Section 62.002(2), 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. Section 62.101(b), 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 150 percent of the federal poverty level.

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

(b) During the sixth month following the date of initial

1 enrollment or reenrollment of an individual whose net family income  
2 exceeds 185 percent of the federal poverty level, the commission  
3 shall:

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

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

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

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

18 (2) the family fails to demonstrate such eligibility.

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

21 (g) In developing the plan, the commission, subject to  
22 federal requirements, may choose to provide dental benefits at full  
23 cost to the enrollee as an available plan option for a child whose  
24 net family income is greater than 200 percent but not greater than  
25 300 percent of the federal poverty level.

26 SECTION 5. Section 62.153, Health and Safety Code, is  
27 amended by amending Subsections (a) and (c) and adding Subsections

1 (a-1) and (a-2) to read as follows:

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

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

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

16 (1) exceed the amount required to be paid by enrollees  
17 described by Subsection (a), but the total amount required to be  
18 paid, excluding any amounts paid for coverage authorized by Section  
19 62.151(g), may not exceed the maximum amount allowed under 42  
20 C.F.R. Section 457.560 or other applicable federal law; and

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

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

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

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

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

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

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

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

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

1 plan; and

2 (2) apply only to a child who was covered by an  
3 employer-sponsored group health benefits plan at any time during  
4 the 180 days before the date of application for coverage under the  
5 child health plan.

6 (f) If a child has a serious or chronic medical condition,  
7 as defined by rules adopted by the executive commissioner, the  
8 commission shall, in determining the cost to the child's family for  
9 the coverage under Subsection (b)(2), include the health benefits  
10 plan premiums and any cost-sharing expenses paid by the family  
11 under the terminated health benefits plan and any health care  
12 equipment or supplies purchased by the family that were not covered  
13 by the plan.

14 SECTION 7. Chapter 62, Health and Safety Code, is amended by  
15 adding Subchapter F to read as follows:

16 SUBCHAPTER F. BUY-IN OPTION

17 Sec. 62.251. BUY-IN OPTION FOR CERTAIN CHILDREN. The  
18 executive commissioner shall develop and implement a buy-in option  
19 in accordance with this subchapter under which children whose net  
20 family incomes exceed 300 percent of the federal poverty level are  
21 eligible to purchase health benefits coverage available under the  
22 child health plan program.

23 Sec. 62.252. RULES; ELIGIBILITY AND COST-SHARING. (a) The  
24 executive commissioner shall adopt rules in accordance with federal  
25 law that apply to a child for whom health benefits coverage is  
26 purchased under this subchapter. The rules must:

27 (1) establish eligibility requirements;

1           (2) ensure that premiums:

2                   (A) are based on the average cost per child of all  
3 children enrolled in the child health plan program; and

4                   (B) progressively increase as the number of  
5 children in the enrollee's family provided coverage increases;

6           (3) require payment of 100 percent of health benefits  
7 plan premiums, fees to offset administrative costs incurred under  
8 this subchapter, and additional deductibles, coinsurance, or other  
9 cost-sharing payments as determined by the executive commissioner;

10           (4) provide for a waiting period comparable to the  
11 waiting period required under Section 62.154(e); and

12           (5) include an option for an enrollee to pay monthly  
13 premiums using direct debits to bank accounts or credit cards.

14           (b) Notwithstanding any other provision of this chapter,  
15 the executive commissioner may establish rules and procedures for  
16 children for whom health benefits coverage is purchased under this  
17 subchapter that differ from the rules and procedures generally  
18 applicable to the child health plan program.

19           Sec. 62.253. CROWD-OUT. To the extent allowed by federal  
20 law, the buy-in option developed under this subchapter must include  
21 provisions designed to discourage:

22                   (1) employers and other persons from electing to  
23 discontinue offering health benefits plan coverage for employees'  
24 children under employee or other group health benefits plans; and

25                   (2) individuals with access to adequate health  
26 benefits plan coverage for their children through an  
27 employer-sponsored group health benefits plan, as determined by the

1 executive commissioner, from electing not to obtain, or to  
2 discontinue, that coverage.

3 Sec. 62.254. POINT-OF-SERVICE COPAYMENT. The commission  
4 shall establish point-of-service copayments for the buy-in option  
5 developed under this subchapter that are higher than  
6 point-of-service copayments required for a child whose net family  
7 income is at or below 300 percent of the federal poverty level.

8 Sec. 62.255. LOCK-OUT. The commission shall include a  
9 lock-out period for the buy-in option developed under this  
10 subchapter designed to discourage individuals from electing to  
11 discontinue coverage when the individual's children are healthy.

12 Sec. 62.256. ENROLLMENT OF ALL CHILDREN IN FAMILY. (a) If  
13 one child in an eligible family enrolls in the buy-in option  
14 developed under this subchapter, the commission shall require that  
15 each eligible child in the family enroll in the buy-in option.

16 (b) Subsection (a) does not apply to a child who:

17 (1) receives coverage under a health benefits plan  
18 from a noncustodial parent under a medical support order; or

19 (2) is eligible for medical assistance under the  
20 Medicaid program or coverage under the Texas Health Insurance Risk  
21 Pool under Chapter 1506, Insurance Code.

22 SECTION 8. Not later than January 1, 2010, the executive  
23 commissioner of the Health and Human Services Commission shall  
24 adopt rules as necessary to implement Subchapter F, Chapter 62,  
25 Health and Safety Code, as added by this Act.

26 SECTION 9. If before implementing any provision of this Act  
27 a state agency determines that a waiver or authorization from a

1 federal agency is necessary for implementation of that provision,  
2 the agency affected by the provision shall request the waiver or  
3 authorization and may delay implementing that provision until the  
4 waiver or authorization is granted.

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