

By: Zaffirini

S.B. No. 42

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of certain postdoctoral fellows and graduate students to participate in health benefit programs at public institutions of higher education.

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

SECTION 1. Subchapter C, Chapter 1551, Insurance Code, is amended by adding Section 1551.1022 to read as follows:

Sec. 1551.1022. PARTICIPATION ELIGIBILITY: CERTAIN POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual is eligible to participate in the group benefits program if the individual, at an institution of higher education:

(1) holds a postdoctoral fellowship; or

(2) holds other graduate fellowships awarded to the individual on a competitive basis that, either singly or in combination, are valued at not less than \$10,000.

(b) An institution of higher education at which an individual holds a fellowship described by Subsection (a) is responsible for payment of the contributions for the individual. Each participant shall contribute that portion of the cost of the group coverage selected by the individual that exceeds the amount of contribution funded by the institution. All portions of the contribution funded by the institution shall be made in proportion to the source of funds from which the fellowship is paid.

(c) An institution of higher education shall, at the time of

1 initial eligibility, notify each of the individuals eligible to
2 participate in the group benefits program under Subsection (a) of
3 the individual's eligibility to participate in the program.

4 SECTION 2. Subchapter C, Chapter 1601, Insurance Code, is
5 amended by adding Section 1601.1021 to read as follows:

6 Sec. 1601.1021. PARTICIPATION ELIGIBILITY: CERTAIN
7 POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual is
8 eligible to participate in the uniform program if the individual,
9 at an institution in a system:

10 (1) holds a postdoctoral fellowship; or

11 (2) holds other graduate fellowships awarded to the
12 individual on a competitive basis that, either singly or in
13 combination, are valued at not less than \$10,000.

14 (b) An institution of higher education at which an
15 individual holds a fellowship described by Subsection (a) is
16 responsible for payment of the contributions for the individual.
17 Each participant shall contribute that portion of the cost of the
18 group coverage selected by the individual that exceeds the amount
19 of contribution funded by the institution. All portions of the
20 contribution funded by the institution shall be made in proportion
21 to the source of funds from which the fellowship is paid.

22 (c) An institution of higher education shall, at the time of
23 initial eligibility, notify each of the individuals eligible to
24 participate in the group benefits program under Subsection (a) of
25 the individual's eligibility to participate in the program.

26 SECTION 3. Effective January 1, 2010, Subsection (d),
27 Section 1601.101, Insurance Code, is repealed.

1 SECTION 4. (a) The board of trustees of the Employees
2 Retirement System of Texas shall include coverage under Section
3 1551.1022, Insurance Code, as added by this Act, in an insurance
4 policy or contract or evidence of coverage delivered, issued for
5 delivery, or renewed on or after January 1, 2010. The board of
6 trustees may include coverage under Section 1551.1022, Insurance
7 Code, as added by this Act, in an insurance policy or contract or an
8 evidence of coverage delivered, issued for delivery, or renewed
9 before January 1, 2010, if the board of trustees determines that the
10 coverage may reasonably be included.

11 (b) The governing board of The University of Texas System or
12 The Texas A&M University System, as applicable, shall include
13 coverage under Section 1601.1021, Insurance Code, as added by this
14 Act, in an insurance policy or contract or evidence of coverage
15 delivered, issued for delivery, or renewed on or after January 1,
16 2010. The governing board of a system may include coverage under
17 Section 1601.1021, Insurance Code, as added by this Act, in an
18 insurance policy or contract or an evidence of coverage delivered,
19 issued for delivery, or renewed before January 1, 2010, if the
20 governing board determines that the coverage may reasonably be
21 included.

22 SECTION 5. Except as otherwise provided by this Act, this
23 Act takes effect September 1, 2009.