

By: Nelson, Lucio

S.B. No. 66

A BILL TO BE ENTITLED

AN ACT

relating to health care coverage for children in Title IV-D cases.

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

SECTION 1. Subsection (b), Section 154.182, Family Code, is amended to read as follows:

(b) In determining the manner in which health care coverage for the child is to be ordered, the court shall render its order in accordance with the following priorities, unless a party shows good cause why a particular order would not be in the best interest of the child:

(1) if health insurance is available for the child through a parent's employment or membership in a union, trade association, or other organization at reasonable cost ~~[to the parent]~~, the court shall order that parent to include the child in the parent's health insurance;

(2) if health insurance is not available for the child under Subdivision (1) but is available to a parent at reasonable cost from another source, including the program under Section 154.1826 to provide health insurance in Title IV-D cases ~~[and at a reasonable cost]~~, the court may order that parent to provide health insurance for the child; or

(3) if health insurance coverage is not available for the child under Subdivision (1) or (2), the court shall order the obligor to pay the obligee, in addition to any amount ordered under

1 the guidelines for child support, an amount, not to exceed nine
2 percent of the obligor's annual [~~monthly~~] resources, as described
3 by Section 154.062(b), as cash medical support for the child.

4 SECTION 2. Subchapter D, Chapter 154, Family Code, is
5 amended by adding Sections 154.1826 and 154.1827 to read as
6 follows:

7 Sec. 154.1826. HEALTH CARE PROGRAM FOR CERTAIN CHILDREN IN
8 TITLE IV-D CASES. (a) In this section:

9 (1) "Health benefit plan issuer" means an insurer,
10 health maintenance organization, or other entity authorized to
11 provide health benefits coverage under the laws of this state.

12 (2) "Health care provider" means a physician or other
13 person who is licensed, certified, or otherwise authorized to
14 provide a health care service in this state.

15 (3) "Program" means the child health care program
16 developed under this section.

17 (4) "Reasonable cost" has the meaning assigned by
18 Section 154.181(e).

19 (5) "Third-party administrator" means a person who is
20 not a health benefit plan issuer or agent of a health benefit plan
21 issuer and who provides administrative services for the program,
22 including processing enrollment of eligible children in the program
23 and processing premium payments on behalf of the program.

24 (b) In consultation with the Texas Department of Insurance,
25 the Health and Human Services Commission, and representatives of
26 the insurance industry in this state, the Title IV-D agency shall
27 develop and implement a statewide program to address the health

1 care needs of children in Title IV-D cases for whom health insurance
2 is not available to either parent at reasonable cost under Section
3 154.182(b)(1) or under Section 154.182(b)(2) from a source other
4 than the program.

5 (c) The director of the Title IV-D agency may establish an
6 advisory committee to consult with the director regarding the
7 implementation and operation of the program. If the director
8 establishes an advisory committee, the director may appoint any of
9 the following persons to the advisory committee:

10 (1) representatives of appropriate public and private
11 entities, including state agencies concerned with health care
12 management;

13 (2) members of the judiciary;

14 (3) members of the legislature; and

15 (4) representatives of the insurance industry.

16 (d) The principal objective of the program is to provide
17 basic health care services, including office visits with health
18 care providers, hospitalization, and diagnostic and emergency
19 services, to eligible children in Title IV-D cases at reasonable
20 cost to the parents obligated by court order to provide medical
21 support for the children.

22 (e) The Title IV-D agency may use available private
23 resources, including gifts and grants, in administering the
24 program.

25 (f) The Title IV-D agency shall adopt rules as necessary to
26 implement the program. The Title IV-D agency shall consult with the
27 Texas Department of Insurance and the Health and Human Services

1 Commission in establishing policies and procedures for the
2 administration of the program and in determining appropriate
3 benefits to be provided under the program.

4 (g) A health benefit plan issuer that participates in the
5 program may not deny health care coverage under the program to
6 eligible children because of preexisting conditions or chronic
7 illnesses. A child who is determined to be eligible for coverage
8 under the program continues to be eligible until the termination of
9 the parent's duty to pay child support as specified by Section
10 154.006. Enrollment of a child in the program does not preclude the
11 subsequent enrollment of the child in another health care plan that
12 becomes available to the child's parent at reasonable cost,
13 including a health care plan available through the parent's
14 employment or the state child health plan under Chapter 62, Health
15 and Safety Code.

16 (h) The Title IV-D agency shall contract with an independent
17 third-party administrator to provide necessary administrative
18 services for operation of the program.

19 (i) A person acting as a third-party administrator under
20 Subsection (h) is not considered an administrator for purposes of
21 Chapter 4151, Insurance Code.

22 (j) The Title IV-D agency shall solicit applications for
23 participation in the program from health benefit plan issuers that
24 meet requirements specified by the agency. Each health benefit
25 plan issuer that participates in the program must hold a
26 certificate of authority issued by the Texas Department of
27 Insurance.

1 (k) The Title IV-D agency shall promptly notify the courts
2 of this state when the program has been implemented and is available
3 to provide for the health care needs of children described by
4 Subsection (b). The notification must specify a date beginning on
5 which children may be enrolled in the program.

6 (l) On or after the date specified in the notification
7 required by Subsection (k), a court that orders health care
8 coverage for a child in a Title IV-D case shall order that the child
9 be enrolled in the program authorized by this section unless other
10 health insurance is available for the child at reasonable cost,
11 including the state child health plan under Chapter 62, Health and
12 Safety Code.

13 (m) Payment of premium costs for the enrollment of a child
14 in the program may be enforced by the Title IV-D agency against the
15 obligor by any means available for the enforcement of a child
16 support obligation, including income withholding under Chapter
17 158.

18 (n) The program is not subject to any provision of the
19 Insurance Code or other law that requires coverage or the offer of
20 coverage of a health care service or benefit.

21 (o) Any health information obtained by the program, or by a
22 third-party administrator providing program services, that is
23 subject to the Health Insurance Portability and Accountability Act
24 of 1996 (42 U.S.C. Section 1320d et seq.) or Chapter 181, Health and
25 Safety Code, is confidential and not open to public inspection. Any
26 personally identifiable financial information or supporting
27 documentation of a parent whose child is enrolled in the program

1 that is obtained by the program, or by a third-party administrator
2 providing program services, is confidential and not open to public
3 inspection.

4 Sec. 154.1827. ADMINISTRATIVE ADJUSTMENT OF MEDICAL
5 SUPPORT ORDER. (a) In each Title IV-D case in which a medical
6 support order requires that a child be enrolled in a health care
7 program under Section 154.1826, the Title IV-D agency may
8 administratively adjust the order as necessary on an annual basis
9 to reflect changes in the amount of premium costs associated with
10 the child's enrollment.

11 (b) The Title IV-D agency shall provide notice of the
12 administrative adjustment to the obligor and the clerk of the court
13 that rendered the order.

14 SECTION 3. This Act takes effect September 1, 2009, except
15 that Section 2 of this Act takes effect immediately if this Act
16 receives a vote of two-thirds of all the members elected to each
17 house, as provided by Section 39, Article III, Texas Constitution.
18 If this Act does not receive the vote necessary for immediate
19 effect, Section 2 of this Act takes effect September 1, 2009.