

1-1 By: Nelson S.B. No. 66
1-2 (In the Senate - Filed November 10, 2008; February 10, 2009,
1-3 read first time and referred to Committee on State Affairs;
1-4 April 1, 2009, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 1, 2009,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 66 By: Harris

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to health care coverage for children in Title IV-D cases.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subsection (b), Section 154.182, Family Code, is
1-13 amended to read as follows:

1-14 (b) In determining the manner in which health care coverage
1-15 for the child is to be ordered, the court shall render its order in
1-16 accordance with the following priorities, unless a party shows good
1-17 cause why a particular order would not be in the best interest of
1-18 the child:

1-19 (1) if health insurance is available for the child
1-20 through a parent's employment or membership in a union, trade
1-21 association, or other organization at reasonable cost [~~to the~~
1-22 ~~parent~~], the court shall order that parent to include the child in
1-23 the parent's health insurance;

1-24 (2) if health insurance is not available for the child
1-25 under Subdivision (1) but is available to a parent at reasonable
1-26 cost from another source, including the program under Section
1-27 154.1826 to provide health insurance in Title IV-D cases [and at a
1-28 reasonable cost], the court may order that parent to provide health
1-29 insurance for the child; or

1-30 (3) if health insurance coverage is not available for
1-31 the child under Subdivision (1) or (2), the court shall order the
1-32 obligor to pay the obligee, in addition to any amount ordered under
1-33 the guidelines for child support, an amount, not to exceed nine
1-34 percent of the obligor's annual [monthly] resources, as described
1-35 by Section 154.062(b), as cash medical support for the child.

1-36 SECTION 2. Subchapter D, Chapter 154, Family Code, is
1-37 amended by adding Sections 154.1826 and 154.1827 to read as
1-38 follows:

1-39 Sec. 154.1826. HEALTH CARE PROGRAM FOR CERTAIN CHILDREN IN
1-40 TITLE IV-D CASES. (a) In this section:

1-41 (1) "Health benefit plan issuer" means an insurer,
1-42 health maintenance organization, or other entity authorized to
1-43 provide health benefits coverage under the laws of this state.

1-44 (2) "Health care provider" means a physician or other
1-45 person who is licensed, certified, or otherwise authorized to
1-46 provide a health care service in this state.

1-47 (3) "Program" means the child health care program
1-48 developed under this section.

1-49 (4) "Reasonable cost" has the meaning assigned by
1-50 Section 154.181(e).

1-51 (5) "Third-party administrator" means a person who is
1-52 not a health benefit plan issuer or agent of a health benefit plan
1-53 issuer and who provides administrative services for the program,
1-54 including processing enrollment of eligible children in the program
1-55 and processing premium payments on behalf of the program.

1-56 (b) In consultation with the Texas Department of Insurance,
1-57 the Health and Human Services Commission, and representatives of
1-58 the insurance industry in this state, the Title IV-D agency shall
1-59 develop and implement a statewide program to address the health
1-60 care needs of children in Title IV-D cases for whom health insurance
1-61 is not available to either parent at reasonable cost under Section
1-62 154.182(b)(1) or under Section 154.182(b)(2) from a source other
1-63 than the program.

2-1 (c) The director of the Title IV-D agency may establish an
 2-2 advisory committee to consult with the director regarding the
 2-3 implementation and operation of the program. If the director
 2-4 establishes an advisory committee, the director may appoint any of
 2-5 the following persons to the advisory committee:

2-6 (1) representatives of appropriate public and private
 2-7 entities, including state agencies concerned with health care
 2-8 management;

2-9 (2) members of the judiciary;

2-10 (3) members of the legislature; and

2-11 (4) representatives of the insurance industry.

2-12 (d) The principal objective of the program is to provide
 2-13 basic health care services, including office visits with health
 2-14 care providers, hospitalization, and diagnostic and emergency
 2-15 services, to eligible children in Title IV-D cases at reasonable
 2-16 cost to the parents obligated by court order to provide medical
 2-17 support for the children.

2-18 (e) The Title IV-D agency may use available private
 2-19 resources, including gifts and grants, in administering the
 2-20 program.

2-21 (f) The Title IV-D agency shall adopt rules as necessary to
 2-22 implement the program. The Title IV-D agency shall consult with the
 2-23 Texas Department of Insurance and the Health and Human Services
 2-24 Commission in establishing policies and procedures for the
 2-25 administration of the program and in determining appropriate
 2-26 benefits to be provided under the program.

2-27 (g) A health benefit plan issuer that participates in the
 2-28 program may not deny health care coverage under the program to
 2-29 eligible children because of preexisting conditions or chronic
 2-30 illnesses. A child who is determined to be eligible for coverage
 2-31 under the program continues to be eligible until the termination of
 2-32 the parent's duty to pay child support as specified by Section
 2-33 154.006. Enrollment of a child in the program does not preclude the
 2-34 subsequent enrollment of the child in another health care plan that
 2-35 becomes available to the child's parent at reasonable cost,
 2-36 including a health care plan available through the parent's
 2-37 employment or the state child health plan under Chapter 62, Health
 2-38 and Safety Code.

2-39 (h) The Title IV-D agency shall contract with an independent
 2-40 third-party administrator to provide necessary administrative
 2-41 services for operation of the program.

2-42 (i) A person acting as a third-party administrator under
 2-43 Subsection (h) is not considered an administrator for purposes of
 2-44 Chapter 4151, Insurance Code.

2-45 (j) The Title IV-D agency shall solicit applications for
 2-46 participation in the program from health benefit plan issuers that
 2-47 meet requirements specified by the agency. Each health benefit
 2-48 plan issuer that participates in the program must hold a
 2-49 certificate of authority issued by the Texas Department of
 2-50 Insurance.

2-51 (k) The Title IV-D agency shall promptly notify the courts
 2-52 of this state when the program has been implemented and is available
 2-53 to provide for the health care needs of children described by
 2-54 Subsection (b). The notification must specify a date beginning on
 2-55 which children may be enrolled in the program.

2-56 (l) On or after the date specified in the notification
 2-57 required by Subsection (k), a court that orders health care
 2-58 coverage for a child in a Title IV-D case shall order that the child
 2-59 be enrolled in the program authorized by this section unless other
 2-60 health insurance is available for the child at reasonable cost,
 2-61 including the state child health plan under Chapter 62, Health and
 2-62 Safety Code.

2-63 (m) Payment of premium costs for the enrollment of a child
 2-64 in the program may be enforced by the Title IV-D agency against the
 2-65 obligor by any means available for the enforcement of a child
 2-66 support obligation, including income withholding under Chapter
 2-67 158.

2-68 (n) The program is not subject to any provision of the
 2-69 Insurance Code or other law that requires coverage or the offer of

3-1 coverage of a health care service or benefit.

3-2 (o) Any health information obtained by the program, or by a
3-3 third-party administrator providing program services, that is
3-4 subject to the Health Insurance Portability and Accountability Act
3-5 of 1996 (42 U.S.C. Section 1320d et seq.) or Chapter 181, Health and
3-6 Safety Code, is confidential and not open to public inspection. Any
3-7 personally identifiable financial information or supporting
3-8 documentation of a parent whose child is enrolled in the program
3-9 that is obtained by the program, or by a third-party administrator
3-10 providing program services, is confidential and not open to public
3-11 inspection.

3-12 Sec. 154.1827. ADMINISTRATIVE ADJUSTMENT OF MEDICAL
3-13 SUPPORT ORDER. (a) In each Title IV-D case in which a medical
3-14 support order requires that a child be enrolled in a health care
3-15 program under Section 154.1826, the Title IV-D agency may
3-16 administratively adjust the order as necessary on an annual basis
3-17 to reflect changes in the amount of premium costs associated with
3-18 the child's enrollment.

3-19 (b) The Title IV-D agency shall provide notice of the
3-20 administrative adjustment to the obligor and the clerk of the court
3-21 that rendered the order.

3-22 SECTION 3. This Act takes effect September 1, 2009, except
3-23 that Section 2 of this Act takes effect immediately if this Act
3-24 receives a vote of two-thirds of all the members elected to each
3-25 house, as provided by Section 39, Article III, Texas Constitution.
3-26 If this Act does not receive the vote necessary for immediate
3-27 effect, Section 2 of this Act takes effect September 1, 2009.

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