

1-1 By: Averitt, et al. S.B. No. 841
1-2 (In the Senate - Filed February 13, 2009; March 13, 2009,
1-3 read first time and referred to Committee on Finance; May 1, 2009,
1-4 reported adversely, with favorable Committee Substitute by the
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1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 841 By: Averitt

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the child health plan program.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subdivision (2), Section 62.002, Health and
1-12 Safety Code, is amended to read as follows:

1-13 (2) "Executive commissioner" or "commissioner
1-14 [~~Commissioner~~]" means the executive commissioner of the Health
1-15 [~~health~~] and Human Services Commission [~~human services~~].

1-16 SECTION 2. Subsection (b), Section 62.101, Health and
1-17 Safety Code, is amended to read as follows:

1-18 (b) The commission shall establish income eligibility
1-19 levels consistent with Title XXI, Social Security Act (42 U.S.C.
1-20 Section 1397aa et seq.), as amended, and any other applicable law or
1-21 regulations, and subject to the availability of appropriated money,
1-22 so that a child who is younger than 19 years of age and whose net
1-23 family income is at or below 300 [~~200~~] percent of the federal
1-24 poverty level is eligible for health benefits coverage under the
1-25 program. In addition, the commission may establish eligibility
1-26 standards regarding the amount and types of allowable assets for a
1-27 family whose net family income is above 250 [~~150~~] percent of the
1-28 federal poverty level.

1-29 SECTION 3. Subsections (b) and (c), Section 62.102, Health
1-30 and Safety Code, are amended to read as follows:

1-31 (b) During the sixth month following the date of initial
1-32 enrollment or reenrollment of an individual whose net family income
1-33 exceeds 285 [~~185~~] percent of the federal poverty level, the
1-34 commission shall:

1-35 (1) review the individual's net family income and may
1-36 use electronic technology if available and appropriate; and

1-37 (2) continue to provide coverage if the individual's
1-38 net family income does not exceed the income eligibility limits
1-39 prescribed by Section 62.101 [~~this chapter~~].

1-40 (c) If, during the review required under Subsection (b), the
1-41 commission determines that the individual's net family income
1-42 exceeds the income eligibility limits prescribed by Section 62.101
1-43 [~~this chapter~~], the commission may not disenroll the individual
1-44 until:

1-45 (1) the commission has provided the family an
1-46 opportunity to demonstrate that the family's net family income is
1-47 within the income eligibility limits prescribed by Section 62.101
1-48 [~~this chapter~~]; and

1-49 (2) the family fails to demonstrate such eligibility.

1-50 SECTION 4. Section 62.151, Health and Safety Code, is
1-51 amended by adding Subsection (g) to read as follows:

1-52 (g) In developing the plan, the commission, subject to
1-53 federal requirements, may choose to provide dental benefits at full
1-54 cost to the enrollee as an available plan option for a child whose
1-55 net family income is greater than 200 percent but not greater than
1-56 300 percent of the federal poverty level.

1-57 SECTION 5. Section 62.153, Health and Safety Code, is
1-58 amended by amending Subsections (a) and (c) and adding Subsections
1-59 (a-1) and (a-2) to read as follows:

1-60 (a) To the extent permitted under 42 U.S.C. Section 1397cc,
1-61 as amended, and any other applicable law or regulations, the
1-62 commission shall require enrollees whose net family incomes are at
1-63 or below 200 percent of the federal poverty level to share the cost

2-1 of the child health plan, including provisions requiring enrollees
2-2 under the child health plan to pay:

2-3 (1) a copayment for services provided under the plan;

2-4 (2) an enrollment fee; or

2-5 (3) a portion of the plan premium.

2-6 (a-1) The commission shall require enrollees whose net
2-7 family incomes are greater than 200 percent but not greater than 300
2-8 percent of the federal poverty level to pay a share of the cost of
2-9 the child health plan through copayments, fees, and a portion of the
2-10 plan premium. The total amount of the share required to be paid
2-11 must:

2-12 (1) include a portion of the plan premium set at an
2-13 amount determined by the commission that is not more than 2.5
2-14 percent of an enrollee's net family income;

2-15 (2) exceed the amount required to be paid by enrollees
2-16 described by Subsection (a), but the total amount required to be
2-17 paid may not exceed five percent of an enrollee's net family income;
2-18 and

2-19 (3) increase incrementally, as determined by the
2-20 commission, as an enrollee's net family income increases.

2-21 (a-2) In establishing the cost required to be paid by an
2-22 enrollee described by Subsection (a-1) as a portion of the plan
2-23 premium, the commission shall ensure that the cost progressively
2-24 increases as the number of children in the enrollee's family
2-25 provided coverage increases.

2-26 (c) The ~~[If cost-sharing provisions imposed under~~
2-27 ~~Subsection (a) include requirements that enrollees pay a portion of~~
2-28 ~~the plan premium, the] commission shall specify the manner of~~
2-29 ~~payment for any portion of the plan premium required to be paid by~~
2-30 ~~an enrollee under this section [in which the premium is paid]. The~~
2-31 commission may require that the premium be paid to the [Texas
2-32 Department of] Health and Human Services Commission, the [Texas]
2-33 Department of State Health [Human] Services, or the health plan
2-34 provider. The commission shall develop an option for an enrollee to
2-35 pay monthly premiums using direct debits to bank accounts or credit
2-36 cards.

2-37 SECTION 6. Section 62.154, Health and Safety Code, is
2-38 amended by amending Subsection (d) and adding Subsection (e) to
2-39 read as follows:

2-40 (d) The waiting period required by Subsection (a) for a
2-41 child whose net family income is at or below 200 percent of the
2-42 federal poverty level must:

2-43 (1) extend for a period of 90 days after the last date
2-44 on which the applicant was covered under a health benefits plan; and

2-45 (2) apply to a child who was covered by a health
2-46 benefits plan at any time during the 90 days before the date of
2-47 application for coverage under the child health plan.

2-48 (e) The waiting period required by Subsection (a) for a
2-49 child whose net family income is greater than 200 percent but not
2-50 greater than 300 percent of the federal poverty level must:

2-51 (1) extend for a period of 180 days after the last
2-52 date on which the applicant was covered under a health benefits
2-53 plan; and

2-54 (2) apply to a child who was covered by a health
2-55 benefits plan at any time during the 180 days before the date of
2-56 application for coverage under the child health plan.

2-57 SECTION 7. Subchapter D, Chapter 62, Health and Safety
2-58 Code, is amended by adding Section 62.1551 to read as follows:

2-59 Sec. 62.1551. TERMINATION OF COVERAGE FOR NONPAYMENT OF
2-60 PREMIUMS. (a) In this section, "lock-out period" means a period
2-61 after coverage is terminated for nonpayment of premiums during
2-62 which a child may not be reenrolled in the child health plan
2-63 program.

2-64 (b) The executive commissioner by rule shall establish a
2-65 process that allows for the termination of coverage under the child
2-66 health plan of an enrollee whose net family income is greater than
2-67 200 percent but not greater than 300 percent of the federal poverty
2-68 level if the enrollee does not pay the premiums required under
2-69 Section 62.153(a-1).

