

1-1 By: Lucio, Hegar S.B. No. 872
1-2 (In the Senate - Filed February 16, 2009; March 9, 2009, read
1-3 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. 872 By: Carona

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

1-10 relating to continued health insurance coverage for eligible
1-11 survivors of certain public servants killed in the line of duty.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (c), Section 615.073, Government
1-14 Code, is amended to read as follows:

1-15 (c) The surviving spouse is entitled to continue to purchase
1-16 health insurance coverage until ~~[the earlier of:~~

1-17 ~~[(1) the date the surviving spouse remarries,~~

1-18 ~~[(2) the date the surviving spouse becomes eligible~~
1-19 ~~for group health insurance through another employer; or~~

1-20 ~~[(3)] the date the surviving spouse becomes eligible~~
1-21 for federal Medicare benefits.

1-22 SECTION 2. Section 615.074, Government Code, is amended to
1-23 read as follows:

1-24 Sec. 615.074. BENEFIT TO DEPENDENT. (a) An eligible
1-25 surviving dependent who is a minor child is entitled to continue
1-26 health insurance coverage until ~~[the earlier of:~~

1-27 ~~[(1)] the date the dependent reaches the age of 18~~
1-28 ~~[years; or~~

1-29 ~~[(2) the date the dependent becomes eligible for group~~
1-30 ~~health insurance through another employer].~~

1-31 (b) An eligible surviving dependent who is not a minor child
1-32 is entitled to continue health insurance coverage until the earlier
1-33 of:

1-34 (1) ~~[the date the dependent marries,~~

1-35 ~~[(2)] the date the dependent becomes eligible for~~
1-36 group health insurance through another employer; or

1-37 (2) ~~[(3)] the date the dependent becomes eligible for~~
1-38 federal Medicare benefits.

1-39 SECTION 3. Subsections (a) and (c), Section 615.075,
1-40 Government Code, are amended to read as follows:

1-41 (a) An employing entity shall provide written notice to an
1-42 eligible survivor to whom this subchapter may apply of the
1-43 survivor's rights under this subchapter not later than the 10th day
1-44 after the date of the decedent's death. Not later than the 150th
1-45 day after the date of the decedent's death, the employing entity
1-46 shall send a subsequent written notice under this subsection by
1-47 certified mail to any eligible survivor who has not already elected
1-48 to continue coverage on or before that date.

1-49 (c) To receive continued coverage under this subchapter,
1-50 the employing entity must be informed not later than the 180th
1-51 ~~[90th]~~ day after the date the decedent died that the eligible
1-52 survivor elects to continue coverage.

1-53 SECTION 4. Section 615.077, Government Code, is amended to
1-54 read as follows:

1-55 Sec. 615.077. PAYMENTS; RATE. An eligible survivor who is
1-56 entitled to continued coverage under this subchapter ~~[is entitled~~
1-57 ~~to]~~:

1-58 (1) is entitled to:

1-59 (A) make payments for the coverage or have
1-60 payments made on the survivor's behalf at the same time and to the
1-61 same entity that payments for coverage are made by current
1-62 employees of the employing entity; and

1-63 (B) obtain ~~[(2) purchase]~~ the coverage at the

2-1 ~~[group]~~ rate paid by current employees of the employing entity for
2-2 that coverage; and

2-3 (2) may not be required to pay a premium amount for the
2-4 coverage that is greater than the premium amount that a current
2-5 employee of the employing entity without a spouse is required to pay
2-6 to cover the employee alone or to cover the employee and the
2-7 employee's dependent children, as applicable to the eligible
2-8 survivor ~~[that exists at the time of payment]~~.

2-9 SECTION 5. Subchapter D, Chapter 615, Government Code, is
2-10 amended by adding Sections 615.080 and 615.081 to read as follows:

2-11 Sec. 615.080. GRACE PERIOD. Health insurance benefits
2-12 coverage in force on the date of the decedent's death under which a
2-13 deceased individual listed under Section 615.071 covered one or
2-14 more other persons may not lapse before the 181st day after the date
2-15 of the decedent's death for failure to pay the premium.

2-16 Sec. 615.081. LIMITED OPPORTUNITY FOR CERTAIN ELIGIBLE
2-17 SURVIVORS TO REAPPLY FOR COVERAGE. (a) This section applies only
2-18 to an eligible survivor of a deceased individual listed under
2-19 Section 615.071 who died on or after September 1, 1993.

2-20 (b) Notwithstanding any other provision of this subchapter
2-21 or other law, an eligible survivor to whom this section applies who
2-22 did not purchase continued health insurance benefits under this
2-23 subchapter or under the law codified by this subchapter within the
2-24 time allowed after the listed individual's death, or who
2-25 discontinued coverage under this subchapter or under the law
2-26 codified by this subchapter after the listed individual's death,
2-27 may reapply for coverage under the employing entity's health
2-28 insurance benefits plan not later than March 1, 2010.

2-29 (c) An eligible survivor who reapplies for coverage under
2-30 Subsection (b) is entitled to purchase the coverage according to
2-31 the same rate schedule and coverage options as would apply had the
2-32 eligible survivor continued coverage under this subchapter after
2-33 the listed individual's death.

2-34 (d) This section expires September 1, 2010.

2-35 SECTION 6. This Act takes effect immediately if it receives
2-36 a vote of two-thirds of all the members elected to each house, as
2-37 provided by Section 39, Article III, Texas Constitution. If this
2-38 Act does not receive the vote necessary for immediate effect, this
2-39 Act takes effect September 1, 2009.

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