

## **BILL ANALYSIS**

Senate Research Center  
82R2050 AJA-D

H.B. 755  
By: Cook (Nichols)  
State Affairs  
5/3/2011  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under current law, switching to the Texas employees group benefits program from another of the state's employee group benefits programs makes certain dependents ineligible for coverage.

For example, if a person is covered by the Teacher Retirement System and has a dependent over the age of 25 who is also covered changes jobs and is eligible for group health benefits under the Employees Retirement System, the dependent is no longer eligible for coverage. For families who have depended on coverage for a child who is physically and mentally disabled, loss of this coverage can be catastrophic.

H.B. 755 allows a dependent child over the age of 25 to qualify for coverage if on the day the child's parent becomes eligible to participate in the Texas employees group benefits program, the dependent is enrolled as the parent's dependent in the health benefits coverage under the Texas Public School Retired Employees Group Benefits Act, the Texas School Employees Uniform Group Health Coverage Act, or the State University Employees Uniform Insurance Benefits Act or is in continued coverage under the federal Consolidated Omnibus Budget Reconciliation Act of 1985 and its subsequent amendments.

H.B. 755 amends current law relating to eligibility of certain dependents for coverage under the state employee group benefits program.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1551.004(a), Insurance Code, as follows:

(a) Provides that, in this chapter, "dependent" with respect to an individual eligible to participate in the group benefits program under Section 1551.101 (Participation Eligibility: State Officers and Employees) or 1551.102 (Participation Eligibility: Annuitants) means the individual's:

- (1) spouse;
- (2) unmarried child younger than 25 years of age;
- (3) child of any age who the board of trustees of the Employees Retirement System of Texas (board) determines lives with or has the child's care provided by the individual on a regular basis if:
  - (A) the child is mentally retarded or physically incapacitated to the extent that the child is dependent on the individual for care or support, as determined by the board of trustees;
  - (B) the child's coverage under this chapter has not lapsed; and

(C) the child is at least 25 years old and:

(i) was enrolled as a participant in the health benefits coverage under the group benefits program on the date of the child's 25th birthday; or

(ii) on the date the individual became eligible to participate in the group benefits program, was enrolled as the individual's dependent in health benefits coverage under Chapter 1575 (Texas Public Employees Group Benefits Program), 1579 (Texas School Employees Uniform Group Health Coverage), or 1601 (Uniform Insurance Benefits Act for Employees of the University of Texas System and the Texas A&M University System) or in continuation of that dependent coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (Pub. L. No. 99-272) and its subsequent amendments;

(4) child of any age who is unmarried, for purposes of health benefit coverage under this chapter, on expiration of the child's continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (Pub. L. No. 99-272) and its subsequent amendments; and

(5) ward, as that term is defined by Section 601 (Definitions), Texas Probate Code.

SECTION 2. Effective date: September 1, 2011.