

By: Naishtat

H.B. No. 1492

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain university systems to provide benefits to certain qualified individuals.

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

SECTION 1. Section 1601.107, Insurance Code, is amended to read as follows:

Sec. 1601.107. COVERAGE FOR DEPENDENTS AND QUALIFIED INDIVIDUALS. (a) An individual who is eligible to participate in the uniform program under Section 1601.101 or 1601.102 is entitled to secure for a dependent of the individual, or for a qualified individual, any group coverages provided under this chapter for dependents under rules adopted by the applicable system.

(b) For purposes of this section, "qualified individual" has the meaning assigned by any applicable rule adopted by a system.

SECTION 2. Sections 1601.201(b) and (c), Insurance Code, are amended to read as follows:

(b) For an employee designated by the system as working 40 or more hours a week, the system may contribute:

(1) the full cost of basic coverage for the employee;  
[and]

(2) not more than 50 percent of the cost of dependent coverage; and

(3) no amount of the cost of coverage of a qualified individual, as that term is defined by Section 1601.107(b).

1 (c) For an employee designated by the system as working less  
2 than 40 hours a week, including an individual employed by the system  
3 in a position that as a condition of employment requires the  
4 individual to be enrolled as a student in the system in  
5 graduate-level courses, the system, from money appropriated from  
6 the general revenue fund, may contribute:

7 (1) not more than 50 percent of the cost of basic  
8 coverage for the employee; ~~and~~

9 (2) not more than 25 percent of the cost of dependent  
10 coverage; and

11 (3) no amount of the cost of coverage of a qualified  
12 individual, as that term is defined by Section 1601.107(b).

13 SECTION 3. Section 1601.203, Insurance Code, is amended to  
14 read as follows:

15 Sec. 1601.203. PAYMENT FOR COVERAGE FOR DEPENDENTS AND  
16 QUALIFIED INDIVIDUALS. Contributions for coverages for a qualified  
17 individual, as that term is defined by Section 1601.107(b), or for a  
18 dependent of an individual eligible to participate in the uniform  
19 program under Section 1601.101 or 1601.102 required of the  
20 participant that exceed the amount of system contributions shall be  
21 paid:

22 (1) by a deduction from the monthly compensation of  
23 the participant;

24 (2) by a reduction of the monthly compensation of the  
25 participant in the appropriate amount; or

26 (3) in the form and manner the system determines.

27 SECTION 4. The changes in law made by this Act apply only to

1 group coverages provided under Chapter 1601, Insurance Code,  
2 beginning with the 2011-2012 plan year. A plan year before  
3 2011-2012 is governed by the law as it existed immediately before  
4 September 1, 2011, and that law is continued in effect for that  
5 purpose.

6 SECTION 5. This Act takes effect September 1, 2011.