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(Menendez)

S.B. No. 423

A BILL TO BE ENTITLED

AN ACT

relating to health insurance coverage for eligible survivors of certain public servants killed in the line of duty.

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

SECTION 1. Section 615.071, Government Code, is amended to read as follows:

Sec. 615.071. APPLICABILITY. This subchapter applies only to eligible survivors of:

(1) an individual listed in Section 615.003(1), (6), or (7); ~~or~~

(2) an individual listed in Section 615.003(10) or (11) who is employed by a political subdivision of the state; or

(3) an individual who is:

(A) described by Section 615.003(15); and

(B) employed as a trainee for a position otherwise described by this section.

SECTION 2. Section 615.072, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) A survivor of an individual listed under Section 615.071 who would have been eligible for health insurance benefits during the life of the individual may not be denied health insurance benefits on the ground that the survivor was enrolled in group health insurance with another employer as of the date of the individual's death.

1 SECTION 3. Section 615.073, Government Code, is amended to
2 read as follows:

3 Sec. 615.073. BENEFIT TO SURVIVING SPOUSE. (a) An
4 eligible surviving spouse of a deceased individual listed in
5 Section 615.071 who was employed by the state is entitled to
6 purchase or continue to purchase ~~[continued]~~ health insurance
7 benefits under Chapter 1551, Insurance Code, as provided by this
8 subchapter.

9 (b) An eligible surviving spouse of a deceased individual
10 listed in Section 615.071 who was employed by a political
11 subdivision of the state is entitled to purchase or continue to
12 purchase ~~[continued]~~ health insurance benefits from the political
13 subdivision that employed the deceased individual, including
14 health coverage:

15 (1) provided by or through a political subdivision
16 under:

17 (A) a health insurance policy or health benefit
18 plan written by a health insurer; or

19 (B) a self-insured health benefits plan; or

20 (2) under Chapter 172, Local Government Code.

21 (c) The surviving spouse is entitled to ~~[continue to]~~
22 purchase or continue to purchase health insurance coverage until
23 the date the surviving spouse becomes eligible for federal Medicare
24 benefits.

25 SECTION 4. Section 615.074, Government Code, is amended to
26 read as follows:

27 Sec. 615.074. BENEFIT TO DEPENDENT. (a) An eligible

1 surviving dependent who is a minor child is entitled to purchase or
2 continue to purchase health insurance coverage until the date the
3 dependent reaches the age of 18 or a later date to the extent
4 required by state or federal law.

5 (b) An eligible surviving dependent who is not a minor child
6 is entitled to purchase or continue to purchase health insurance
7 coverage until the earlier of:

8 (1) the date the dependent becomes eligible for group
9 health insurance through another employer; or

10 (2) the date the dependent becomes eligible for
11 federal Medicare benefits.

12 SECTION 5. Subsections (a) and (c), Section 615.075,
13 Government Code, are amended to read as follows:

14 (a) An employing entity shall provide written notice to an
15 eligible survivor to whom this subchapter may apply of the
16 survivor's rights under this subchapter not later than the 10th day
17 after the date of the decedent's death. Not later than the 150th
18 day after the date of the decedent's death, the employing entity
19 shall send a subsequent written notice under this subsection by
20 certified mail to any eligible survivor who has not already elected
21 to purchase or continue to purchase coverage on or before that date.

22 (c) To receive [~~continued~~] coverage under this subchapter,
23 the employing entity must be informed not later than the 180th day
24 after the date the decedent died that the eligible survivor elects
25 to purchase or continue to purchase coverage.

26 SECTION 6. Section 615.076, Government Code, is amended to
27 read as follows:

1 Sec. 615.076. LEVEL OF COVERAGE. (a) An eligible survivor
2 may elect to purchase or continue to purchase coverage at any level
3 of benefits currently offered by the employing entity to dependents
4 of an active employee.

5 (b) An eligible survivor may elect to purchase or continue
6 to purchase coverage at a reduced level of benefits if the employing
7 entity offers that option.

8 SECTION 7. Section 615.077, Government Code, is amended to
9 read as follows:

10 Sec. 615.077. PAYMENTS; RATE. An eligible survivor who is
11 entitled to [~~continued~~] coverage under this subchapter:

12 (1) is entitled to:

13 (A) make payments for the coverage or have
14 payments made on the survivor's behalf at the same time and to the
15 same entity that payments for coverage are made by current
16 employees of the employing entity; and

17 (B) obtain the coverage at the rate paid by
18 current employees of the employing entity for that coverage; and

19 (2) may not be required to pay a premium amount for the
20 coverage that is greater than the premium amount that a current
21 employee of the employing entity without a spouse is required to pay
22 to cover the employee alone or to cover the employee and the
23 employee's dependent children, as applicable to the eligible
24 survivor.

25 SECTION 8. Subchapter D, Chapter 615, Government Code, is
26 amended by adding Section 615.082 to read as follows:

27 Sec. 615.082. LIMITED ELIGIBILITY OF CERTAIN SURVIVORS TO

1 REAPPLY FOR COVERAGE. (a) This section applies only to the
2 eligible survivor of an individual described by Section 615.071 who
3 died on or after September 1, 1993.

4 (b) Notwithstanding any other law, an eligible survivor to
5 whom this section applies who did not purchase or receive health
6 insurance coverage or benefits under this chapter on or before the
7 date of the individual's death, or who did not notify the
8 individual's employing entity of the survivor's election to
9 purchase or continue to purchase coverage within the time allowed
10 by law after the individual's death, may apply for health insurance
11 benefits or coverage not later than September 1, 2012. An eligible
12 survivor who applies for coverage under this section may purchase
13 coverage according to the same rate schedule and coverage options
14 that would apply if the eligible survivor had continued to purchase
15 coverage after the individual's death.

16 (c) This section expires September 2, 2012.

17 SECTION 9. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2011.