

1-1 By: Lucio, Van de Putte S.B. No. 423
1-2 (In the Senate - Filed January 27, 2011; February 2, 2011,
1-3 read first time and referred to Committee on State Affairs;
1-4 March 28, 2011, reported favorably by the following vote: Yeas 8,
1-5 Nays 0; March 28, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to health insurance coverage for eligible survivors of
1-9 certain public servants killed in the line of duty.

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

1-11 SECTION 1. Section 615.071, Government Code, is amended to
1-12 read as follows:

1-13 Sec. 615.071. APPLICABILITY. This subchapter applies only
1-14 to eligible survivors of:

1-15 (1) an individual listed in Section 615.003(1), (6),
1-16 or (7); ~~or~~

1-17 (2) an individual listed in Section 615.003(10) or
1-18 (11) who is employed by a political subdivision of the state; or

1-19 (3) an individual who is:

1-20 (A) described by Section 615.003(15); and

1-21 (B) employed as a trainee for a position
1-22 otherwise described by this section.

1-23 SECTION 2. Section 615.072, Government Code, is amended by
1-24 adding Subsection (b-1) to read as follows:

1-25 (b-1) A survivor of an individual listed under Section
1-26 615.071 who would have been eligible for health insurance benefits
1-27 during the life of the individual may not be denied health insurance
1-28 benefits on the ground that the survivor was enrolled in group
1-29 health insurance with another employer as of the date of the
1-30 individual's death.

1-31 SECTION 3. Section 615.073, Government Code, is amended to
1-32 read as follows:

1-33 Sec. 615.073. BENEFIT TO SURVIVING SPOUSE. (a) An
1-34 eligible surviving spouse of a deceased individual listed in
1-35 Section 615.071 who was employed by the state is entitled to
1-36 purchase or continue to purchase ~~continue~~ health insurance
1-37 benefits under Chapter 1551, Insurance Code, as provided by this
1-38 subchapter.

1-39 (b) An eligible surviving spouse of a deceased individual
1-40 listed in Section 615.071 who was employed by a political
1-41 subdivision of the state is entitled to purchase or continue to
1-42 purchase ~~continue~~ health insurance benefits from the political
1-43 subdivision that employed the deceased individual, including
1-44 health coverage:

1-45 (1) provided by or through a political subdivision
1-46 under:

1-47 (A) a health insurance policy or health benefit
1-48 plan written by a health insurer; or

1-49 (B) a self-insured health benefits plan; or

1-50 (2) under Chapter 172, Local Government Code.

1-51 (c) The surviving spouse is entitled to ~~continue to~~
1-52 purchase or continue to purchase health insurance coverage until
1-53 the date the surviving spouse becomes eligible for federal Medicare
1-54 benefits.

1-55 SECTION 4. Section 615.074, Government Code, is amended to
1-56 read as follows:

1-57 Sec. 615.074. BENEFIT TO DEPENDENT. (a) An eligible
1-58 surviving dependent who is a minor child is entitled to purchase or
1-59 continue to purchase health insurance coverage until the date the
1-60 dependent reaches the age of 18 or a later date to the extent
1-61 required by state or federal law.

1-62 (b) An eligible surviving dependent who is not a minor child
1-63 is entitled to purchase or continue to purchase health insurance
1-64 coverage until the earlier of:

1-65 (1) the date the dependent becomes eligible for group
1-66 health insurance through another employer; or

1-67 (2) the date the dependent becomes eligible for

2-1 federal Medicare benefits.

2-2 SECTION 5. Subsections (a) and (c), Section 615.075,
2-3 Government Code, are amended to read as follows:

2-4 (a) An employing entity shall provide written notice to an
2-5 eligible survivor to whom this subchapter may apply of the
2-6 survivor's rights under this subchapter not later than the 10th day
2-7 after the date of the decedent's death. Not later than the 150th
2-8 day after the date of the decedent's death, the employing entity
2-9 shall send a subsequent written notice under this subsection by
2-10 certified mail to any eligible survivor who has not already elected
2-11 to purchase or continue to purchase coverage on or before that date.

2-12 (c) To receive [~~continued~~] coverage under this subchapter,
2-13 the employing entity must be informed not later than the 180th day
2-14 after the date the decedent died that the eligible survivor elects
2-15 to purchase or continue to purchase coverage.

2-16 SECTION 6. Section 615.076, Government Code, is amended to
2-17 read as follows:

2-18 Sec. 615.076. LEVEL OF COVERAGE. (a) An eligible survivor
2-19 may elect to purchase or continue to purchase coverage at any level
2-20 of benefits currently offered by the employing entity to dependents
2-21 of an active employee.

2-22 (b) An eligible survivor may elect to purchase or continue
2-23 to purchase coverage at a reduced level of benefits if the employing
2-24 entity offers that option.

2-25 SECTION 7. Section 615.077, Government Code, is amended to
2-26 read as follows:

2-27 Sec. 615.077. PAYMENTS; RATE. An eligible survivor who is
2-28 entitled to [~~continued~~] coverage under this subchapter:

2-29 (1) is entitled to:

2-30 (A) make payments for the coverage or have
2-31 payments made on the survivor's behalf at the same time and to the
2-32 same entity that payments for coverage are made by current
2-33 employees of the employing entity; and

2-34 (B) obtain the coverage at the rate paid by
2-35 current employees of the employing entity for that coverage; and

2-36 (2) may not be required to pay a premium amount for the
2-37 coverage that is greater than the premium amount that a current
2-38 employee of the employing entity without a spouse is required to pay
2-39 to cover the employee alone or to cover the employee and the
2-40 employee's dependent children, as applicable to the eligible
2-41 survivor.

2-42 SECTION 8. Subchapter D, Chapter 615, Government Code, is
2-43 amended by adding Section 615.082 to read as follows:

2-44 Sec. 615.082. LIMITED ELIGIBILITY OF CERTAIN SURVIVORS TO
2-45 REAPPLY FOR COVERAGE. (a) This section applies only to the
2-46 eligible survivor of an individual described by Section 615.071 who
2-47 died on or after September 1, 1993.

2-48 (b) Notwithstanding any other law, an eligible survivor to
2-49 whom this section applies who did not purchase or receive health
2-50 insurance coverage or benefits under this chapter on or before the
2-51 date of the individual's death, or who did not notify the
2-52 individual's employing entity of the survivor's election to
2-53 purchase or continue to purchase coverage within the time allowed
2-54 by law after the individual's death, may apply for health insurance
2-55 benefits or coverage not later than September 1, 2012. An eligible
2-56 survivor who applies for coverage under this section may purchase
2-57 coverage according to the same rate schedule and coverage options
2-58 that would apply if the eligible survivor had continued to purchase
2-59 coverage after the individual's death.

2-60 (c) This section expires September 2, 2012.

2-61 SECTION 9. This Act takes effect immediately if it receives
2-62 a vote of two-thirds of all the members elected to each house, as
2-63 provided by Section 39, Article III, Texas Constitution. If this
2-64 Act does not receive the vote necessary for immediate effect, this
2-65 Act takes effect September 1, 2011.

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