

## **BILL ANALYSIS**

Senate Research Center

S.B. 1057  
By: Nelson  
Health & Human Services  
7/12/2013  
Enrolled

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

S.B. 1057 is intended to encourage enrollment in private insurance coverage and to ensure that the state is the payor of last resort for health care.

The Department of State Health Services (DSHS) already strives to be the payor of last resort in administering its safety net programs, but there is no effort to ensure that individuals applying to those programs do not have access to private coverage. The new health insurance exchange that is being established by the federal government next year in accordance with the Affordable Care Act will allow some individuals who are eligible for DSHS programs to receive those services through a private insurer rather than relying on the state.

S.B. 1057 requires DSHS to educate low-income individuals applying for health services about the availability of coverage and subsidies through the health insurance exchange and requires individuals who are applying to receive health or mental health benefits, services, or assistance through DSHS to certify that they do not have access to private insurance that covers those services.

S.B. 1057 amends current law relating to information about private health care insurance coverage and the health insurance exchange for individuals applying for certain Department of State Health Services health or mental health benefits, services, and assistance.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 1 (Sections 1001.080 and 1001.081, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter D, Chapter 1001, Health and Safety Code, by adding Sections 1001.080 and 1001.081, as follows:

Sec. 1001.080. HEALTH INSURANCE COVERAGE INFORMATION. (a) Defines "individual's legally authorized representative" in this section.

(b) Provides that this section applies to health or mental health benefits, services, or assistance provided by the Department of State Health Services (DSHS) that DSHS anticipates will be impacted by a health insurance exchange as defined by Section 1001.081(a), including:

- (1) community primary health care services provided under Chapter 31 (Primary Health Care);
- (2) women's and children's health services provided under Chapter 32 (Maternal and Infant Health Improvement);
- (3) services for children with special health care needs provided under Chapter 35 (Children With Special Health Care Needs);

- (4) epilepsy program assistance provided under Chapter 40 (Epilepsy);
- (5) hemophilia program assistance provided under Chapter 41 (Hemophilia);
- (6) kidney health care services provided under Chapter 42 (Kidney Health Care);
- (7) human immunodeficiency virus infection and sexually transmitted disease prevention programs and services provided under Chapter 85 (Acquired Immune Deficiency Syndrome and Human Immunodeficiency Virus Infection);
- (8) immunization programs provided under Chapter 161 (Public Health Provisions);
- (9) programs and services provided by the Rio Grande State Center under Chapter 252 (Intermediate Care Facilities for the Mentally Retarded);
- (10) mental health services for adults provided under Chapter 534 (Community Services);
- (11) mental health services for children provided under Chapter 534;
- (12) the NorthSTAR Behavioral Health Program provided under Chapter 534;
- (13) programs and services provided by community mental health hospitals under Chapter 552 (State Hospitals);
- (14) programs and services provided by state mental health hospitals under Chapter 552; and
- (15) any other health or mental health program or service designated by DSHS.

(c) Prohibits DSHS, subject to Subsection (d), from providing health or mental health benefits, services, or assistance described in Subsection (b) unless the individual applying to receive the benefits, services, or assistance submits to DSHS on the form prescribed by DSHS:

- (1) a statement by the individual or the individual's legally authorized representative attesting that the individual does not have access to private health care insurance that provides coverage for the benefit, service, or assistance; or
- (2) if the individual has access to private health care insurance that provides coverage for the benefit, service, or assistance, the information and authorization necessary for DSHS to submit a claim for reimbursement from the insurer for the benefit, service, or assistance.

(d) Authorizes DSHS to waive the prohibition under Subsection (c) for an individual or for mental health benefits, services, or assistance described in Subsection (b) if DSHS determines that a benefit, service, or assistance is necessary during a crisis or emergency.

(e) Requires the executive commissioner of the Health and Human Services Commission (executive commissioner) to adopt rules necessary to implement this section.

Sec. 1001.081. HEALTH INSURANCE EXCHANGE INFORMATION. (a) Defines "health insurance exchange" and "individual's legally authorized representative" in this section.

(b) Authorizes DSHS to develop informational materials regarding health care insurance coverage and subsidies available under a health insurance exchange.

(c) Requires DSHS to provide the informational materials regarding health care insurance coverage and subsidies available under a health insurance exchange to an individual or the individual's legally authorized representative who applies to receive health or mental health benefits, services, or assistance described in Section 1001.080(b), and has an income above 100 percent of the federal poverty level.

(d) Requires the executive commissioner to adopt rules necessary to implement this section.

SECTION 2. Requires DSHS, as soon as practicable after the effective date of this Act, to prescribe the form required by Section 1001.080, Health and Safety Code, as added by this Act.

SECTION 3. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such a waiver or authorization is granted.

SECTION 4. Effective date: upon passage or September 1, 2013.