

By: Paxton

S.B. No. 1220

A BILL TO BE ENTITLED

AN ACT

relating to the use of certain funds from the Texas Health Insurance Pool.

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

SECTION 1. Section 1506.260, Insurance Code, is amended to read as follows:

Sec. 1506.260. FUNDING FOR PREMIUM DISCOUNTS. (a) The board shall collect penalty payments and interest paid by health maintenance organizations as provided by Section 843.342 and insurers as provided by Section 1301.137.

(b) The board may use funds collected under this section only to finance premium discounts under Section 1506.105(e-1).

(c) Excess funds that are not needed to finance premium discounts, but in no case greater than \$10,700,000.00, shall be allocated to the Texas Health Services Authority to be used only to implement the Texas Health Services Authority's purpose under Texas Health and Safety Code Chapter 182. This subsection expires August 31, 2015.

(d) The board may require a health maintenance organization or an insurer to make payments under this section and make reports concerning those payments in a manner determined by the board.

SECTION 2. This Act takes effect September 1, 2013.