

By: Watson

S.B. No. 1486

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, 1601.102, or 1601.1021 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 the 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

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

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

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

11 (2) not more than 25 percent of the cost of dependent
12 coverage; and

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

15 SECTION 3. Section 1601.203, Insurance Code, is amended to
16 read as follows:

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

24 (1) by a deduction from the monthly compensation of
25 the participant;

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

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

2 SECTION 4. The changes in law made by this Act apply only to
3 group coverages provided under Chapter 1601, Insurance Code,
4 beginning with the 2013-2014 plan year. A plan year before
5 2013-2014 is governed by the law as it existed immediately before
6 September 1, 2013, and that law is continued in effect for that
7 purpose.

8 SECTION 5. This Act takes effect September 1, 2013.