

## **BILL ANALYSIS**

H.B. 3453  
By: Lozano  
Pensions  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties note that many school districts in Texas are required to participate in certain health insurance plans for active employees and are prohibited from seeking health insurance for their employees in the private marketplace. These parties assert that this lack of choice has led to high costs for employees and reduced benefits. H.B. 3453 seeks to help provide school district employees with more affordable and higher quality health coverage.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Teacher Retirement System of Texas in SECTION 1 of this bill.

### **ANALYSIS**

H.B. 3453 amends the Insurance Code to authorize the Teacher Retirement System of Texas by rule to establish a regional rating method for determining premiums charged in different regions of Texas for the benefits provided under a plan of group coverage established under the uniform group coverage program of the Texas School Employees Uniform Group Health Coverage Act.

H.B. 3453 repeals statutory provisions relating to the required participation of a school district with 500 or fewer employees and each regional education service center in the uniform group coverage program and to elective participation in the program by certain risk pools. The bill instead authorizes, effective September 1, 2015, a school district, regardless of the number of employees, and a risk pool established under the Texas Political Subdivision Employees Uniform Group Benefits Act that is in existence on January 1, 2015, and whose members are school districts to elect to participate in the program. The bill authorizes a school district or risk pool to elect not to participate in the program, notwithstanding any previous election or requirement to participate.

H.B. 3453 repeals Sections 1579.151 and 1579.153, Insurance Code.

### **EFFECTIVE DATE**

September 1, 2015.