

By: Naishtat

H.B. No. 2275

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 1601.004(b)(2), Insurance Code, is amended to read as follows:

(2) "Spouse" means a party to a marriage recognized by the laws of this state, including an informal marriage under Subchapter E, Chapter 2, [has the meaning assigned by the] Family Code.

SECTION 2. 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" means an individual who:

(1) during the preceding 12 months has continuously resided in the same household with an individual who is eligible to participate in the uniform program as described by Subsection (a);

- 1           (2) is at least 18 years of age;  
2           (3) is not the spouse of the eligible individual; and  
3           (4) is directly dependent on, or interdependent with,  
4 the eligible individual, sharing a common financial obligation as  
5 described by Subsection (c).

6           (c) A relationship of dependence or interdependence under  
7 Subsection (b)(4) may be established by providing:

8           (1) any three of the following documents:

9                   (A) a joint loan obligation, mortgage, or lease,  
10 or a document reflecting joint ownership of a vehicle;

11                   (B) a life insurance policy, retirement benefits  
12 account, or will of one of the individuals that designates the other  
13 as beneficiary or executor;

14                   (C) a mutually granted power of attorney for  
15 purposes of health care or financial management;

16                   (D) a document showing that each individual is  
17 authorized to sign for purposes of the other's bank or credit  
18 account; and

19                   (E) documentary proof of a joint bank or credit  
20 account; and

21           (2) a sworn statement attesting to authenticity and  
22 truthfulness of documents and representations provided under this  
23 section.

24           SECTION 3. Sections 1601.201(b) and (c), Insurance Code,  
25 are amended to read as follows:

26           (b) For an employee designated by the system as working 40  
27 or more hours a week, the system may contribute:

1 (1) the full cost of basic coverage for the employee;

2 [~~and~~]

3 (2) not more than 50 percent of the cost of dependent  
4 coverage; and

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

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

13 (1) not more than 50 percent of the cost of basic  
14 coverage for the employee; [~~and~~]

15 (2) not more than 25 percent of the cost of dependent  
16 coverage; and

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

19 SECTION 4. Section 1601.203, Insurance Code, is amended to  
20 read as follows:

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

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

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

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

6           SECTION 5. The changes in law made by this Act apply only to  
7 group coverages provided under Chapter 1601, Insurance Code,  
8 beginning with the 2015-2016 plan year. A plan year before  
9 2015-2016 is governed by the law as it existed immediately before  
10 September 1, 2015, and that law is continued in effect for that  
11 purpose.

12           SECTION 6. This Act takes effect September 1, 2015.