

BILL ANALYSIS

H.B. 1194
By: Blanco
Pensions
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties have raised concerns regarding the limitations of the current approach to providing group long-term care insurance coverage to certain Employees Retirement System of Texas (ERS) participants and contend that there is a continuing interest in this type of coverage. H.B. 1194 seeks to address these concerns by authorizing ERS to offer individual long-term care insurance coverage to program participants.

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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1194 amends the Insurance Code to remove the specification that the long-term care insurance program the board of trustees of the Employees Retirement System of Texas (ERS) may establish to provide long-term care insurance coverage for eligible ERS employees and annuitants and certain relatives of those employees and annuitants is a group long-term care insurance program. The bill requires ERS to ensure that all group long-term care insurance coverage in effect immediately before the bill's effective date continues to be administered in accordance with applicable law as it existed immediately before the bill's effective date.

H.B. 1194 repeals Section 1552.004, Insurance Code, which requires the administering firm of the group long-term care insurance program to bill each program participant directly for premiums and any other program costs, makes each participant responsible for required payments, and prohibits the deduction of premiums and program costs from a program participant's monthly compensation or annuity.

EFFECTIVE DATE

September 1, 2017.