

By: Huffman

S.B. No. 1682

A BILL TO BE ENTITLED

AN ACT

relating to the administration of and benefits payable under the Texas public school retired employees group insurance program and the Texas school employees uniform group health coverage program and certain expenditures for school employee health coverage.

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

SECTION 1. Section 825.114(b), Government Code, is amended to read as follows:

(b) Notwithstanding any other law to the contrary, the board of trustees by rule shall determine the amount and manner of any compensation or expense reimbursement to be paid members of an advisory committee performing service for the retirement system for performing the work of the advisory committee. All compensation and expense reimbursements for an advisory committee established under this section are payable from the expense account or the Texas public [retired] school retired employees group health benefits trust [insurance] fund, as applicable.

SECTION 2. Section 1456.004(c), Insurance Code, is amended to read as follows:

(c) A facility-based physician who bills a patient covered by a preferred provider benefit plan or a health benefit plan under Chapter 1551, 1575, or 1579 that does not have a contract with the facility-based physician shall send a billing statement to the patient that contains a conspicuous, plain-language explanation of

the mandatory mediation process available under Chapter 1467 if the amount for which the enrollee is responsible to the physician, after copayments, deductibles, and coinsurance, including the amount unpaid by the administrator or insurer, is greater than \$500.

SECTION 3. The heading to Chapter 1575, Insurance Code, is amended to read as follows:

CHAPTER 1575. TEXAS PUBLIC SCHOOL RETIRED EMPLOYEES GROUP HEALTH  
BENEFITS PROGRAM

SECTION 4. Section 1575.001, Insurance Code, is amended to read as follows:

Sec. 1575.001. SHORT TITLE. This chapter may be cited as the Texas Public School Retired Employees Group Health Benefits Act.

SECTION 5. Sections 1575.002(3) and (4), Insurance Code, are amended to read as follows:

(3) "Fund" means the Texas public [~~retired~~] school retired employees group health benefits trust [~~insurance~~] fund.

(4) "Group program" means the Texas Public School Retired Employees Group Health Benefits [~~Insurance~~] Program authorized by this chapter.

SECTION 6. The heading to Subchapter G, Chapter 1575, Insurance Code, is amended to read as follows:

SUBCHAPTER G. TEXAS PUBLIC SCHOOL RETIRED [~~SCHOOL~~] EMPLOYEES GROUP  
HEALTH BENEFITS TRUST [~~INSURANCE~~] FUND

SECTION 7. Section 1575.301(a), Insurance Code, is amended to read as follows:

(a) The Texas public ~~[retired]~~ school retired employees group health benefits trust ~~[insurance]~~ fund is a trust fund with the comptroller, who is custodian of the fund.

SECTION 8. Sections 1579.002(5) and (6), Insurance Code, are amended to read as follows:

(5) "Participating entity" means an entity participating in the uniform group health coverage program established under this chapter. The term includes:

- (A) a school district;
- (B) another educational district whose employees are members of the Teacher Retirement System of Texas;
- (C) a regional education service center; and
- (D) a charter school that meets the requirements of Section 1579.154.

(6) "Program" means the Texas school employees uniform group health coverage program established under this chapter.

SECTION 9. Section 1579.006(a), Insurance Code, is amended to read as follows:

(a) The following are exempt from execution, attachment, garnishment, or any other process:

- (1) benefit payments, including optional benefit payments;
- (2) contributions of ~~[active]~~ employees, the state, and a participating entity, and any other contributions;
- (3) any rights, benefits, or payments accruing to any person under this chapter; and
- (4) any money in the Texas school employees uniform

1 group health coverage trust fund.

2 SECTION 10. Section 1579.051, Insurance Code, is amended to  
3 read as follows:

4 Sec. 1579.051. ADMINISTRATION OF GROUP PROGRAM. The  
5 Teacher Retirement System of Texas, as trustee, shall implement and  
6 administer the uniform group health coverage program described by  
7 this chapter.

8 SECTION 11. Section 1579.254, Insurance Code, is amended to  
9 read as follows:

10 Sec. 1579.254. CONTRIBUTIONS HELD IN TRUST FOR FUND. A  
11 participating entity:

12 (1) shall hold contributions required by this  
13 subchapter in trust for the Texas school employees uniform group  
14 health coverage trust fund and its participants; and

15 (2) may not divert the contributions for any other  
16 purpose.

17 SECTION 12. Section 1579.255(a), Insurance Code, is amended  
18 to read as follows:

19 (a) A participating entity that does not remit to the  
20 trustee all contributions required by this subchapter before the  
21 seventh day after the last day of the month shall pay to the Texas  
22 school employees uniform group health coverage trust fund:

23 (1) the contributions; and

24 (2) interest on the unpaid amounts at the annual rate  
25 of six percent compounded monthly.

26 SECTION 13. The heading to Subchapter G, Chapter 1579,  
27 Insurance Code, is amended to read as follows:

SUBCHAPTER G. TEXAS SCHOOL EMPLOYEES UNIFORM GROUP HEALTH COVERAGE  
TRUST FUND

SECTION 14. Section 1579.301, Insurance Code, is amended to  
read as follows:

Sec. 1579.301. FUND; ADMINISTRATION. The Texas school  
employees uniform group health coverage trust fund is a trust fund  
with the comptroller.

SECTION 15. The heading to Subchapter B, Chapter 1581,  
Insurance Code, is amended to read as follows:

SUBCHAPTER B. MAINTENANCE OF EFFORT; MINIMUM EFFORT; REPORT

SECTION 16. Section 1581.052(b), Insurance Code, is amended  
to read as follows:

(b) Amounts used as required by this section shall be  
deposited, as applicable, in:

(1) the Texas school employees uniform group health  
coverage trust fund established under Subchapter G, Chapter 1579;  
or

(2) another fund established for the payment of  
employee health coverage that meets requirements for those funds  
prescribed by the Texas Education Agency.

SECTION 17. Subchapter B, Chapter 1581, Insurance Code, is  
amended by adding Section 1581.055 to read as follows:

Sec. 1581.055. ANNUAL REPORT. Each school district, other  
educational district whose employees are members of the Teacher  
Retirement System of Texas, participating charter school, and  
regional education service center shall annually report to the  
Teacher Retirement System of Texas, according to rules adopted by

1 the board of trustees of the retirement system, the monthly amount  
2 the school district, other educational district, participating  
3 charter school, or regional education service center contributes  
4 under this chapter.

5       SECTION 18. Section 1579.106(c), Insurance Code, is  
6 repealed.

7       SECTION 19. Section 1456.004(c), Insurance Code, as amended  
8 by this Act, applies only to charges for a health care service or  
9 supply provided on or after the effective date of this Act. Charges  
10 for a health care service or supply provided before the effective  
11 date of this Act are governed by the law as it existed immediately  
12 before the effective date of this Act, and that law is continued in  
13 effect for that purpose.

14       SECTION 20. This Act takes effect September 1, 2019.