

AN ACT

relating to the administration of a temporary health insurance risk pool.

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

SECTION 1. Section 1510.002, Insurance Code, is amended to read as follows:

Sec. 1510.002. ESTABLISHMENT OF TEMPORARY HEALTH INSURANCE RISK POOL. To the extent that federal funds are ~~[become]~~ available under federal law~~[, regulation, or executive action after March 1, 2017]~~, the commissioner may:

(1) apply for such funds; and

(2) use such funds to establish and administer a temporary health insurance risk pool for the purposes of this chapter.

SECTION 2. Section 1510.003, Insurance Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) The exclusive purpose of the pool is to provide a temporary mechanism ~~[for maximizing available federal funding]~~ to assist residents of this state in obtaining access to quality, guaranteed issue health coverage ~~[care]~~ at minimum cost to the public.

(c) The pool may not be used in a manner that requires this state to assume functions currently performed by the United States

1 Department of Health and Human Services or the United States
2 Internal Revenue Service under the Patient Protection and
3 Affordable Care Act (Pub. L. No. 111-148), including establishing
4 an exchange or administering premium tax credits.

5 SECTION 3. Section 1510.004, Insurance Code, is amended to
6 read as follows:

7 Sec. 1510.004. PROVISION OF GUARANTEED ISSUE HEALTH
8 COVERAGE. (a) Subject to any requirements for obtaining federal
9 funds [~~held in the pool~~], the commissioner may increase access to
10 guaranteed issue health coverage by [use pool funds]:

11 (1) establishing a high risk pool to provide
12 alternative individual health insurance coverage to eligible
13 individuals that does not diminish enrollment in [~~the availability~~
14 ~~of~~] traditional commercial health care coverage;

15 (2) providing [~~to provide~~] funding to individual
16 health benefit plan issuers that cover individuals with certain
17 health or cost characteristics in exchange for lower enrollee
18 premium rates; or

19 (3) providing [~~to provide~~] a reinsurance program for
20 health benefit plan issuers in the individual market in exchange
21 for lower enrollee premium rates.

22 (b) If necessary to ensure access to quality individual
23 health insurance coverage for individuals with preexisting
24 conditions, the commissioner may take actions necessary to
25 establish a temporary high risk pool substantially similar to the
26 risk pool authorized by former Chapter 1506, Insurance Code,
27 repealed by Chapter 615 (S.B. 1367), Acts of the 83rd Legislature,

1 Regular Session, 2013, including:

2 (1) appointing a board of directors to govern the
3 temporary high risk pool;

4 (2) adopting rules or a plan of operation for the
5 temporary high risk pool; and

6 (3) contracting with a third party.

7 (c) Any rule or plan of operation adopted under Subsection
8 (b) remains in effect only until 30 days following the end of the
9 next regular session of the legislature unless a law is enacted that
10 authorizes coverage to be issued by the temporary risk pool and
11 provides for funding for coverage under the temporary risk pool.

12 SECTION 4. Section 1510.008(a), Insurance Code, is amended
13 to read as follows:

14 (a) The commissioner may apply to the United States
15 secretary of health and human services:

16 (1) under 42 U.S.C. Section 18052 for a waiver of
17 applicable provisions of the Patient Protection and Affordable Care
18 Act (Pub. L. No. 111-148) and any applicable regulations or
19 guidance; or

20 (2) under any applicable provision of federal law
21 [~~enacted on or after May 1, 2017,~~] for a waiver of applicable
22 provisions of any federal law, regulations, or guidance with
23 respect to health insurance coverage consistent with Section
24 1510.003.

25 SECTION 5. Section 1510.012(a), Insurance Code, is amended
26 to read as follows:

27 (a) Beginning June 1, 2020 [~~2018~~], not later than June 1 of

1 each year, the department shall submit a report to the governor, the
2 lieutenant governor, and the speaker of the house of
3 representatives.

4 SECTION 6. Section 1510.013, Insurance Code, is amended to
5 read as follows:

6 Sec. 1510.013. EXPIRATION OF CHAPTER. This chapter expires
7 August 31, 2021 [~~2019~~].

8 SECTION 7. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2019.

S.B. No. 1940

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1940 passed the Senate on April 26, 2019, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1940 passed the House on May 21, 2019, by the following vote: Yeas 146, Nays 1, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor