S.B. No. 1444

AN ACT

relating to participation in the uniform group coverage program for active school employees and to a study concerning health coverage for school district employees.

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

SECTION 1.  Subchapter C, Chapter 1579, Insurance Code, is amended by adding Section 1579.1045 to read as follows:

Sec. 1579.1045.  ALTERNATIVE GROUP HEALTH COVERAGE PROHIBITED. Notwithstanding any other law, a participating entity may not offer or make available to the entity's employees or their dependents group health coverage not provided under the program.

SECTION 2.  Subchapter D, Chapter 1579, Insurance Code, is amended by adding Section 1579.155 to read as follows:

Sec. 1579.155.  PROGRAM PARTICIPATION: ELECTION. (a) Effective September 1, 2022, a participating entity may elect to discontinue the entity's participation in the program by providing written notice to the trustee not later than December 31 of the year preceding the first day of the plan year in which the election will be effective.

(b)  A participating entity that elects to discontinue participation in the program under Subsection (a) may not elect to:

(1)  participate in the program until the fifth anniversary of the effective date of the entity's election to discontinue participation; or

(2)  discontinue the entity's participation after an election described by Subdivision (1) until the fifth anniversary of the effective date of that election.

(c)  Effective September 1, 2022, an entity that elects to participate in the program shall provide written notice to the trustee not later than December 31 of the year preceding the first day of the plan year in which the election will be effective. The entity may not elect to discontinue the entity's participation until the fifth anniversary of the effective date of the entity's election to participate.

(d)  The trustee by rule shall prescribe the time and manner for making an election under this section and may adopt rules necessary to administer this section.

SECTION 3.  (a) In this section, "committee" means a regional school district health coverage advisory committee established under this section.

(b)  Each regional education service center established under Chapter 8, Education Code, shall establish a regional school district health coverage advisory committee to conduct a study assessing:

(1)  health care needs of and health coverage options currently available to employees of school districts served by that service center; and

(2)  alternative health coverage options that may be available.

(c)  The executive director of each regional education service center shall serve as the chair of that region's committee. The executive director shall appoint nine superintendents of school districts served by the regional education service center to serve as members of that region's committee.

(d)  The study must include, with respect to school districts in that committee's region, the following information:

(1)  an overview of current health coverage plans made available to district employees, including for each plan:

(A)  the amount paid by districts and by district employees for premium under the plan;

(B)  the schedule of benefits available under the plan; and

(C)  deductibles and other cost-sharing amounts applicable to services provided under the plan;

(2)  a survey of district employees using a scale that allows the district employee to indicate that the employee is very satisfied, satisfied, somewhat satisfied, somewhat dissatisfied, dissatisfied, or very dissatisfied with:

(A)  the current costs to the employee of the employee's health coverage plan; and

(B)  benefits available and access to care under the employee's plan; and

(3)  an assessment of three alternative health coverage options that are available on the open market or through self-funding of school district health care expenses, including for each alternative:

(A)  the amount that would be paid by a district and district employees for premium under the alternative;

(B)  the schedule of benefits available under the alternative; and

(C)  whether, in obtaining the alternative, some or all of the districts in the region should jointly seek health coverage under that alternative as a group.

(e)  Not later than November 1, 2022, each committee shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, each standing committee of the senate or house of representatives having primary jurisdiction over public education or public retirement systems, the commissioner of the Texas Education Agency, and the executive director of the Teacher Retirement System of Texas a written report on the study conducted by the committee under this section.

(f)  This section expires January 1, 2023.

SECTION 4.  Sections 1579.1045 and 1579.155, Insurance Code, as added by this Act, apply only to group coverage provided for a plan year beginning on or after September 1, 2022. A plan year that begins before that date is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 5.  This Act takes effect September 1, 2021.

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I hereby certify that S.B. No. 1444 passed the Senate on May 6, 2021, by the following vote:  Yeas 30, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Secretary of the Senate

I hereby certify that S.B. No. 1444 passed the House on May 24, 2021, by the following vote:  Yeas 145, Nays 0, one present not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Chief Clerk of the House

Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_           Governor