

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

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

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

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

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

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

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

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

26 (c) The executive director of each regional education
27 service center shall serve as the chair of that region's committee.

1 The executive director shall appoint nine superintendents of school
2 districts served by the regional education service center to serve
3 as members of that region's committee.

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (f) This section expires January 1, 2023.

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

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

President of the Senate

Speaker of the House

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