

Amend CSHB 100 (senate committee report) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS in those ARTICLES accordingly:

ARTICLE __. HEALTH COVERAGE FOR PUBLIC SCHOOL EMPLOYEES

SECTION _____. Chapter 791, Government Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. INTERLOCAL CONTRACTING BETWEEN LOCAL EDUCATION AGENCIES TO PROCURE HEALTH INSURANCE COVERAGE

Sec. 791.051. DEFINITIONS. In this subchapter:

(1) "Cooperative" means a cooperative established under this subchapter by an interlocal contract for group health coverage.

(2) "Local education agency" means:

(A) a school district; or

(B) an open-enrollment charter school as defined by Section 5.001, Education Code.

(3) "Participating local education agency" means, with respect to a cooperative, a local education agency that participates in the cooperative.

Sec. 791.052. COMPLIANCE WITH SUBCHAPTER REQUIRED. A local education agency shall comply with this subchapter when procuring and administering employee group health coverage with another local education agency.

Sec. 791.053. INTERLOCAL CONTRACT FOR GROUP HEALTH INSURANCE COVERAGE. (a) The governing body of a local education agency may by resolution enter into an interlocal contract and cooperate with one or more other local education agencies to establish a cooperative for the purposes of procuring group health insurance coverage under this subchapter.

(b) The governing body of a local education agency may renew an interlocal contract entered into under Subsection (a).

(c) This subchapter does not affect the ability of local education agencies to provide group health coverage through a risk pool established in accordance with Chapter 172, Local Government Code.

Sec. 791.054. COOPERATIVE. (a) A cooperative is a legal

entity that may procure employee group health insurance coverage for each participating local education agency.

(b) Participating local education agencies may contract for the supervision and administration of the cooperative in accordance with Section 791.013.

(c) Except as provided by this subsection, a cooperative is governed by a board of directors composed of the chief executive officers of each participating local education agency or the officers' designees. If the cooperative is composed of more than seven local education agencies, the cooperative shall appoint at least seven directors to serve on the cooperative's board of directors.

Sec. 791.055. PROCUREMENT. (a) A cooperative must procure a contract for employee group health coverage under this subchapter through a request for proposals to potential vendors advertised in a manner consistent with Section 44.031(g), Education Code, in at least one county in which a participating local education agency's central office is located.

(b) The board of directors of a cooperative shall select the vendor that provides the best value to participating local education agencies considering the factors described by Section 44.031(b), Education Code.

(c) A cooperative that enters into a contract in accordance with this section satisfies a competitive bidding requirement applicable to the procurement of group health coverage under other law.

Sec. 791.056. OFFER OF COVERAGE; PREMIUM LIABILITY. (a) A cooperative shall offer one or more group health insurance plans procured under Section 791.055 to employees of participating local education agencies and dependents of those employees.

(b) The board of directors of a cooperative may determine a participating local education agency's payment of all or part of the premiums for employees or dependents for a plan offered under Subsection (a).

(c) A participating local education agency's payment:
(1) is subject to the requirements described by Section 1581.052, Insurance Code; and

(2) shall include the contributions by the state described by Subchapter F, Chapter 1579, Insurance Code.

SECTION _____. This article takes effect September 1, 2023.