

By: Blanco

S.B. No. 896

A BILL TO BE ENTITLED

AN ACT

relating to the enrollment period for newborns under certain employer health benefit plans.

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

SECTION 1. Section 846.258(b), Insurance Code, is amended to read as follows:

(b) Coverage of a newborn child of a participating employee under this section ends on the 61st [~~32nd~~] day after the date of the child's birth unless:

(1) children are eligible for coverage under the multiple employer welfare arrangement's plan document; and

(2) not later than the 60th [~~31st~~] day after the date of birth, the arrangement receives:

(A) notice of the birth; and

(B) any required additional premium.

SECTION 2. Section 1501.157(b), Insurance Code, is amended to read as follows:

(b) Coverage of a newborn child of a covered employee under this section ends on the 61st [~~32nd~~] day after the date of the child's birth unless, not later than the 60th [~~31st~~] day after the date of birth, the small employer health benefit plan issuer receives:

(1) notice of the birth; and

(2) any required additional premium.

1 SECTION 3. Section 1501.607(b), Insurance Code, is amended  
2 to read as follows:

3 (b) Coverage of a newborn child of a covered employee under  
4 this section ends on the 61st [~~32nd~~] day after the date of the  
5 child's birth unless:

6 (1) children are eligible for coverage under the large  
7 employer health benefit plan; and

8 (2) not later than the 60th [~~31st~~] day after the date  
9 of birth, the large employer health benefit plan issuer receives:

10 (A) notice of the birth; and

11 (B) any required additional premium.

12 SECTION 4. The change in law made by this Act applies only  
13 to a health benefit plan that is delivered, issued for delivery, or  
14 renewed on or after January 1, 2026. A health benefit plan that is  
15 delivered, issued for delivery, or renewed before January 1, 2026,  
16 is governed by the law as it existed immediately before the  
17 effective date of this Act, and that law is continued in effect for  
18 that purpose.

19 SECTION 5. This Act takes effect September 1, 2025.