

AN ACT

relating to the enrollment of certain children and recipients of medical assistance in group health benefit plans.

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

SECTION 1. Section 62.059, Health and Safety Code, is amended to read as follows:

Sec. 62.059. HEALTH INSURANCE PREMIUM ASSISTANCE [~~PAYMENT REIMBURSEMENT~~] PROGRAM FOR CHILDREN ELIGIBLE FOR CHILD HEALTH PLAN.

(a) In this section, "group health benefit plan" has the meaning assigned by Article 21.52K, Insurance Code.

(b) The [~~Under the direction of the~~] commission[, ~~the Texas Department of Health~~] shall identify children, otherwise eligible to enroll in the state child health plan under this chapter, who are eligible to enroll in a group health benefit plan.

(c) For a child identified under Subsection (b), the commission [~~department~~] shall determine whether it is cost-effective to enroll the child in the group health benefit plan under this section. The commission may determine cost-effectiveness on an aggregate basis for the premium assistance program as a whole.

(d) If the commission [~~department~~] determines that it is cost-effective to enroll the child in the group health benefit plan, the commission [~~department~~] shall:

(1) inform [~~require~~] the child and the child's parent

1 or guardian of the availability of the premium assistance program  
2 ~~[to apply to enroll in the group health benefit plan as a condition~~  
3 ~~for eligibility] under this section [chapter]; [and]~~

4 (2) offer, as an optional alternative to enrollment in  
5 the commission's state child health plan program, a premium  
6 assistance payment to assist with the employee's or member's share  
7 of the required premiums for the group health benefit plan that is  
8 available to the child; and

9 (3) provide written notice to the issuer of the group  
10 health benefit plan in accordance with Article 21.52K, Insurance  
11 Code.

12 (e) The commission [department] shall determine the amount  
13 of the premium assistance [provide for] payment. The premium  
14 assistance payment shall be paid only for the reimbursement of the  
15 employee's or member's share of required premiums for coverage of a  
16 child enrolled in the group health benefit plan.

17 (f) The premium assistance payment [In addition to any  
18 amount] paid under Subsection (e) [the department] may provide  
19 assistance for the payment of a group health benefit plan premium  
20 that includes [for] the child's parent or other individuals [for an  
21 individual] who are members [is a member] of the child's family [if

22 ~~[(1) the child is not eligible to be enrolled in the~~  
23 ~~group health benefit plan unless the other individual is also~~  
24 ~~enrolled in the plan, and~~

25 ~~[(2) the department determines it to be~~  
26 ~~cost-effective].~~

27 (g) The commission [department] may not provide for the

1 payment of any deductible, copayment, coinsurance, or other  
2 cost-sharing obligation for the child or another individual  
3 enrolled in a group health benefit plan under Subsection (f).

4 (h) ~~[Enrollment of a child in a group health benefit plan~~  
5 ~~under this chapter does not affect the child's eligibility for~~  
6 ~~benefits under this chapter, except that the program is the payer of~~  
7 ~~last resort for those benefits.~~

8 [(i)] The commission [department] may consolidate or  
9 coordinate the administration of the program provided under this  
10 section with a similar program provided under Section 32.0422,  
11 Human Resources Code, for individuals eligible for medical  
12 assistance under the state Medicaid program.

13 SECTION 2. Subsections (a), (b), and (f), Section 2,  
14 Article 21.52K, Insurance Code, are amended to read as follows:

15 (a) The issuer of a group health benefit plan, on receipt of  
16 written notice from the [~~Texas Department of~~] Health and Human  
17 Services Commission or a designee of the commission [~~Texas~~  
18 ~~Department of Health~~] that states that an individual who is  
19 otherwise eligible for enrollment in the plan is a recipient of  
20 medical assistance under the state Medicaid program and is a  
21 participant in the health insurance premium payment reimbursement  
22 program for medical assistance recipients under Section 32.0422,  
23 Human Resources Code, shall permit the individual to enroll in the  
24 plan without regard to any enrollment period restriction.

25 (b) The issuer of a group health benefit plan, on receipt of  
26 written notice from the [~~Texas Department of~~] Health and Human  
27 Services Commission or a designee of the commission [~~Texas~~

1 ~~Department of Health~~] that states that a child who is otherwise  
2 eligible for enrollment in the plan is enrolled in the state child  
3 health plan under Chapter 62, Health and Safety Code, and is a  
4 participant in the health insurance premium assistance [~~payment~~  
5 ~~reimbursement~~] program under Section 62.059, Health and Safety  
6 Code, provided for children eligible for the state child health  
7 plan, shall permit the child to enroll in the group health benefit  
8 plan without regard to any enrollment period restriction.

9 (f) Notwithstanding any other requirement of the group  
10 health benefit plan, the issuer of the plan shall permit an  
11 individual who is enrolled in a group health benefit plan under  
12 Subsection (b) of this section, and any family member of the  
13 individual enrolled under Subsection (c) of this section, to  
14 terminate enrollment in the plan not later than the 60th day after  
15 the date on which the individual provides satisfactory proof to the  
16 issuer that the child is no longer a participant in the health  
17 insurance premium assistance [~~payment-reimbursement~~] program under  
18 Section 62.059, Health and Safety Code, provided for children  
19 eligible for the state child health plan.

20 SECTION 3. (a) This Act takes effect September 1, 2003.

21 (b) The changes in law made by this Act apply only to a group  
22 health benefit plan that is delivered, issued for delivery, or  
23 renewed on or after September 1, 2003. A group health benefit plan  
24 that is delivered, issued for delivery, or renewed before September  
25 1, 2003, is governed by the law as it existed immediately before  
26 that date, and that law is continued in effect for that purpose.

David Newburn  
President of the Senate

Tom Coddell  
Speaker of the House

I hereby certify that S.B. No. 240 passed the Senate on March 17, 2003, by a viva-voce vote.

Patsy Spaw  
Secretary of the Senate

I hereby certify that S.B. No. 240 passed the House on April 23, 2003, by a non-record vote.

Robert Honey  
Chief Clerk of the House

Approved:

2 MAY '03  
Date  
Rick Peery  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
10:45 AM O'CLOCK  
MAY 02 2003  
Ann Shea  
Secretary of State