

# Requiring student health centers to file claims with, and certain higher education institutions to offer or participate in, health plans

HB 103 by F. Brown (Patrick)

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**DIGEST:** HB 103 would have required that student health centers at higher education institutions with enrollment of more than 20,000 file health benefit claims on behalf of students or other people entitled to receive services through the student health center with the health plans in which the students or other people were enrollees. The institutions could have had the claims filed by a contracted third-party billing service.

These higher education institutions would have been required to establish contracts with at least three of the largest health benefit plan issuers in the health services region. Under these contracts, the institutions' student health centers would have served as preferred providers under the issuers' preferred provider benefit plans or operated as in-network providers under the issuers' health maintenance organizations.

A general academic teaching institution with a total student enrollment of more than 20,000 students would have been required to offer to students, directly or through a university system of which the institution was a component, one or more health benefit plans. At least one health benefit plan offered by these four-year institutions would have been required to be a high-deductible health plan.

## GOVERNOR'S REASON FOR VETO:

"House Bill No. 103 amends current law relating to student health benefit plan provisions at public institutions of higher education and health benefit plan operations through student health centers (SHCs).

"The bill requires general academic teaching institutions with more than 20,000 enrolled students to offer one or more health benefit plans, at least one of which must be a high-deductible plan.

"House Bill No. 103 also requires these institutions to accept and process private health insurance at SHCs. SHCs must file insurance claims for covered individuals. The institutions may contract with a third-party billing service to provide assistance.

"While I appreciate the author's intent to increase efficiency in our universities' health care systems, House Bill No. 103 would likely increase health service costs for college students and their families without increasing the level of service or care. Currently, SHCs may file claims for students with private health insurance, but choose not to do so because of the high cost associated with filing claims with the large number of health plans that serve students. Since most SHCs do not have the administrative and technical capacity required to do insurance billing, SHCs would

need to increase staff or contract this service to a third-party administrator; either option would needlessly increase costs to students.

“SHCs are designed to provide limited basic care services to students at low cost. Combined with a mandatory fee and inexpensive office visits, SHCs have been effective in helping students with their basic medical needs.

“Delivering reasonable health care to students is important, but House Bill No. 103 would precipitate a significant departure from current practices at SHCs without appreciably improving student health or access to care. Before undertaking such a dramatic shift in the administration of these services, we owe it to students and their families to take a closer look at the overall impact. Therefore, I am recommending that the lieutenant governor and speaker of the House conduct an interim study to review this issue.”

**RESPONSE:** **Rep. Fred Brown**, the bill’s author, said: “HB 103 represented a simple, common-sense solution to save millions in taxpayer funds without reducing services for the state’s public university students.

“By billing private insurance, this legislation would have promoted a new system of fiscal solvency for the state’s university health centers, while encouraging young people throughout Texas to make the responsible decision with regards to obtaining personal healthcare.

“I am deeply disappointed by Governor Perry’s decision to veto this fiscally conservative legislation, which passed through both houses of the Legislature with near unanimous support.”

**Sen. Dan Patrick**, the Senate sponsor, had no comment on the veto.

**NOTES:** The HRO analysis of HB 103 appeared in Part Three of the May 8 *Daily Floor Report*.