SUBJECT: Health care coverage for a child in a child custody or child support suit

COMMITTEE: Juvenile Justice and Family Issues — favorable without amendment

VOTE: 7 ayes — Dutton, Eiland, Bolton, Farrar, Gonzalez Toureilles, Hernandez,

Vaught

0 nays

2 absent — Farias, Strama

WITNESSES: For — Steve Bresnen, Texas Family Law Foundation; (Registered, but did

> not testify: Jim Loveless, State Bar of Texas; Jack Marr, Texas Family Law Foundation; Diana S. Friedman, Diana S. Friedman P.C.; Wendy Burgower; Heidi Cox; Sherri A. Evans; Christy Bradshaw Schmidt; Doug

Woodburn

Against —None

On — Alicia Key, Office of the Attorney General

BACKGROUND: Family Code, ch. 154, governs the provision of medical support for a child

> as a part of a child support order. It provides that in any suit affecting the parent-child relationship or in a proceeding under the Uniform Interstate Family Support Act (ch. 159), the court must render an order for the medical support of the child. A parent ordered to provide health insurance who fails to do so is liable for the necessary medical expenses of the child and the cost of health insurance premiums or contributions paid on behalf

of the child.

The Federal Deficit Reduction Act of 2005 amended section of Title IV-D of the Social Security Act, which conditions the receipt of federal funds on the enforcement of certain child support programs and requires states to adopt provisions to pursue and enforce health care coverage for a child in

a support or custody action.

DIGEST: HB 2078 would amend the medical support provisions of the Family Code

> to authorize a court to modify an order for health care coverage for a child. It would require the court to give priority to health care coverage available

through the employment of one of the parents if the insurance were

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available at a reasonable cost. The court would give descending priority to health insurance obtained from other sources, such as insurance available to a parent from another source at a reasonable cost. If health insurance were not available for the child, the court could order the parent who paid child support to pay cash medical support in an amount that would not exceed 9 percent of the paying parent's monthly resources.

HB 2078 also would specify that if the parent who paid child support did not provide health insurance, then the court would order that parent to pay an additional amount equal to the actual cost of health insurance for the child. If neither parent had access to private health insurance at a reasonable cost, then the court would order one of the parents to apply on behalf of the child for government medical assistance or health plan. If the child participated in a government medical assistance program, the court would order cash medical support.

A court order requiring the payment of cash medical support would be required to allow the obligor parent to discontinue if:

- health insurance for the child became available at a reasonable cost;
 and
- the parent who paid child support enrolled the child in the insurance plan and provided the other parent with information about his or her employer, address, social security number, and other important information required by the court.

The amount ordered for payment for cash medical support or health insurance coverage would be in addition to amounts for child support and could be enforced by any means available, including withholding earnings. Additionally, any reasonable and necessary health care expenses of the child that were not reimbursed by health insurance or covered by cash medical support would be split between the parents, depending on their circumstances.

The bill also would stipulate that if the parent who owed child support had other minor children covered under the same health plan, the court would divide the cost of insurance by the total number of minor children to determine the health care deduction when calculating child support.

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The bill would take effect September 1, 2007, and would apply to child custody and child support actions filed or pending in court on or after that date.

NOTES:

The companion bill, SB 303 by Harris, passed the Senate on March 28 on the Local and Uncontested Calendar and is scheduled for a public hearing by the House Juvenile Justice and Family Issues Committee on May 9.