

SUBJECT:	Allowing higher education institutions to offer health care coverage
COMMITTEE:	Higher Education — favorable, without amendment
VOTE:	9 ayes — Kuempel, Paul, Bucy, Burns, Burrows, Clardy, Cole, Howard, Raney 0 nays 2 absent — M. González, Lalani
WITNESSES:	For — Elaine Britt, Rice University (<i>Registered, but did not testify</i> : Elysa M. Tamayo, El Paso County; Nathan Cook, Rice University; Corinna Whiteaker-Lewis, San Gabriel Unitarian Universalist Fellowship; Sarah Berel-Harrop, Texas Unitarian Universalist Justice Network; Erin Walter, Texas Unitarian Universalist Justice Ministry; and 33 individuals Against — None On — Cindy Wright, Texas Department of Insurance
BACKGROUND:	Some have suggested that allowing higher education institutions to offer health care coverage to students and their families could lower health plan costs, which could lower the overall cost of higher education.
DIGEST:	HB 3371 would allow a higher education institution or its affiliate to offer higher education health benefits, which would be defined as health benefits: <ul style="list-style-type: none">• sponsored by a higher education institution or its affiliate;• offered only to students enrolled in the institution and their family members;• that were not provided through an insurance policy; and• that were deemed by the institution to be important in assisting its students and their families to live long and productive lives.

An institution that offered higher education health benefits could not require a waiting period of more than six months for treatment of a preexisting condition otherwise included in higher education health benefits.

The institution would be required to provide a health benefit applicant written notice that the benefits were not provided through an insurance policy. The applicant would be required to sign and return the notice, and the institution would be required to maintain a copy of the signed notice and provide a copy of the notice to the individual upon request.

An institution participating in the program would not be engaging in the business of health insurance and would not be a health insurer, but could contract with a company authorized to engage in insurance business to:

- transfer to that company all or a portion of the organization's risks arising from higher education health benefits; or
- obtain insurance coverage from the company guarantying the institution's obligations arising from higher education health benefits.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2023.