

BILL ANALYSIS

Senate Research Center
81R16368 TJS-D

C.S.S.B. 762
By: Watson
State Affairs
3/24/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the minimum collective employee participation level for small employer health benefit plans is 75 percent. A study would provide information regarding whether changing the participation level would increase access to health insurance by small employers.

C.S.S.B. 762 requires the Texas Department of Insurance to study and report on the impact of a minimum collective employee participation level for small employer health benefit plans of 60 percent, and a comparison of the effectiveness of the current minimum participation level of 75 percent to a minimum participation level of between 60 and 75 percent.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. DEFINITION. Defines "department."

SECTION 2. STUDY. (a) Requires the Texas Department of Insurance (TDI) to conduct a study concerning the minimum participation requirement for small employer health benefit plans under Section 1501.154 (Minimum Participation Requirement), Insurance Code.

(b) Requires that the study include an evaluation of the effectiveness of a minimum collective employee participation level of 60 percent and a comparison of the effectiveness of the current minimum collective employee participation level of 75 percent to a minimum collective employee participation level of between 60 and 75 percent.

SECTION 3. REPORT TO LEGISLATURE. Requires TDI to include a report of the results of the study conducted under this Act in the biennial report to the 82nd Legislature made under Section 32.022 (Biennial Report to Legislature), Insurance Code. Requires that the report describe the results of the study conducted under this Act and contain a recommendation concerning whether the minimum collective employee participating level should be reduced from 75 percent to 60 percent, and the reasons for the recommendation described by Subdivision (1).

SECTION 4. Effective date: upon passage or September 1, 2009.