

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 78
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State Affairs
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This bill contains a portion of S.B. 23, relating to the creation of an office within the Texas Department of Insurance (TDI) to assist in educating the public about health insurance options (80th Legislature, Regular Session, 2007), which died on the House calendar at the end of the last regular session.

One of the barriers to health care in Texas is the lack of knowledge about the different health plans available in Texas. TDI provides consumer assistance for all types of insurance coverage. However, health insurance is extremely complex and offers many more policy options than other common types of coverage, like auto or homeowners insurance.

C.S.S.B. 78 creates the TexLink to Health Coverage Program at TDI to promote awareness, educate, and train consumers and businesses.

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. Amends Chapter 524, Insurance Code, as follows:

CHAPTER 524. New heading: **TEXLINK TO HEALTH COVERAGE PROGRAM**

SUBCHAPTER A. **GENERAL PROVISIONS**

Sec. 524.001. **DEFINITIONS.** Defines "division" and "program."

Sec. 524.002. **DIVISION RESPONSIBILITIES.** Provides that, under the direction of the commissioner of insurance (commissioner), the division of the Texas Department of Insurance (TDI) that administers the TexLink to Health Coverage Program (program) (division) implements this chapter.

Sec. 524.003. **TEXLINK TO HEALTH COVERAGE PROGRAM ESTABLISHED.** (a) Requires TDI to develop and implement a health coverage program, rather than a health coverage public awareness and education program, that complies with this chapter. Requires that the program educate the public about the importance and value of health coverage; promote personal responsibility for health care through the purchase of health coverage; assist small employers, individuals, and others seeking to purchase health coverage with technical information necessary to understand available health coverage products; promote and facilitate the development and availability of new health coverage options; increase public awareness of health coverage options available in this state; and provide information on health coverage options, including health savings accounts and compatible high deductible health benefit plans. Deletes existing text requiring TDI to educate the public on the value of health coverage. Makes nonsubstantive changes.

(b) Requires that the program include a public awareness and education component.

SUBCHAPTER B. PUBLIC AWARENESS AND EDUCATION

Sec. 524.051. INFORMATION ABOUT SPECIFIC HEALTH BENEFIT PLAN ISSUERS. Authorizes the division, rather than TDI, to include information about specific health benefit plan issuers, rather than specific health coverage, but prohibits it from favoring or endorsing one particular issuer over another in materials produced for the program. Makes conforming changes.

Sec. 524.052. PUBLIC SERVICE ANNOUNCEMENTS. Redesignates Section 524.002 as Section 524.052. Makes a conforming change.

Sec. 524.053. New heading: INTERNET WEBSITE; PRINTED MATERIALS; NEWSLETTER. (a) Redesignates Section 524.003 as Section 524.053. Requires the division to develop an Internet website and printed materials designed to educate small employers, individuals, and others seeking to purchase health coverage about health coverage in accordance with Section 524.003(a). Deletes existing text requiring TDI to educate the public about the availability of health coverage in this state, including information about health savings accounts and compatible high deductible health benefit plans. Makes a conforming change.

(b) Requires the division to make the printed materials produced under the program available to small employers, individuals, and others seeking to purchase health coverage. Authorizes the division to distribute the printed materials through certain venues and through other distribution methods the division selects.

(c) Authorizes the division to produce a newsletter to provide updated information about health coverage to subscribers who elect to receive the newsletter. Authorizes the division to produce the newsletter for certain individuals and distribute it in a certain manner.

Sec. 524.054. TOLL-FREE TELEPHONE HOTLINE; ACCESS TO INFORMATION.

(a) Authorizes the division to operate a toll-free telephone hotline to respond to inquires and to provide information and technical assistance concerning health coverage products.

(b) Authorizes the Health and Human Services Commission (HHSC), through its 2-1-1 telephone number for access to human services, to disseminate information regarding health coverage products provided to HHSC by TDI and refer inquiries regarding health coverage products to the toll-free telephone hotline. Authorizes TDI to provide information to HHSC as necessary to implement this subsection.

Sec. 524.055. EDUCATION FOR HIGH SCHOOL STUDENTS. (a) Authorizes the division to develop educational materials and a curriculum to be used in high school classes that educate students about the importance and values of health coverage, comparing health benefit plans, and understanding basic provisions contained in health benefit plans.

(b) Authorizes the division to consult with the Texas Education Agency in developing educational materials and a curriculum under this section.

Sec. 524.056. HEALTH COVERAGE FAIRS. (a) Authorizes the division to conduct health coverage fairs to provide small employers, individuals, and others seeking to purchase health coverage the opportunity to obtain information about health coverage from division employees and from health benefit plan issuers and agents that elect to participate.

(b) Requires the division to seek to obtain funding for health coverage fairs conducted under this section through gifts and grants obtained in accordance with Subchapter C.

Sec. 524.057. **COMMUNITY EVENTS.** Authorizes the division to participate in events held in this state to promote awareness of the importance and value of health coverage and to educate small employers, individuals, and others seeking to purchase health coverage about health coverage in accordance with Section 524.003(a).

Sec. 524.058. **HEALTH COVERAGE PROVIDED THROUGH COLLEGES AND UNIVERSITIES.** Authorizes the division to cooperate with a public or private college or university to promote enrollment in health coverage programs sponsored by or through the college or university.

Sec. 524.059. **SUPPORT FOR COMMUNITY-BASED PROJECTS.** Authorizes the division to provide support and assistance to individuals and organizations seeking to develop community-based health coverage plans for uninsured individuals.

Sec. 524.060. **OTHER EDUCATION.** Authorizes the division to provide other appropriate education to the public regarding health coverage and the importance and value of health coverage in accordance with Section 524.003(a). Makes a conforming change.

Sec. 524.061. **TASK FORCE.** (a) Redesignates Section 524.004 as Section 524.061. Authorizes, rather than requires, the commissioner to appoint a task force to make recommendations regarding the division's duties under this subchapter. Requires that, if appointed, the task force be composed of representatives from certain groups or entities, including health coverage consumers, rather than health benefit coverage consumers, and one or more representatives of a regional or local health care program for employees of small employers under Chapter 75 (Regional or Local Health Care Programs for Employees of Small Employers), Health and Safety Code. Makes nonsubstantive changes.

(b) Authorizes the commissioner to select to serve on any task force, in addition to the individuals listed in Subsection (a), one or more individuals with experience in public relations, marketing, or another related field of professional services.

(c) Authorizes the division to consult the task force regarding the content for the public service announcements, Internet website, printed materials, and other educational materials required or authorized by this subchapter, rather than chapter. Makes a conforming change.

Sec. 524.062. **FEDERAL TAX "TOOL KIT" FOR CERTAIN BUSINESSES.** Authorizes TDI to produce materials that provide step-by-step instructions for a small employer or single-employee business that is obtaining health coverage for the benefit of the employer or business and the employees of the business and are designed to allow the employer or business to obtain the coverage in a manner that qualifies for favorable treatment under federal tax laws and make department staff available to assist small employers and single-employee businesses that are obtaining health coverage as described by this section.

Sec. 524.063. **ASSISTANCE FOR SMALL EMPLOYERS AND SINGLE-EMPLOYEE BUSINESSES.** Authorizes TDI to train staff concerning available health coverage options for small employers and single-employee businesses to respond to telephone inquiries from small employers and single-employee businesses and to speak at events to provide information about health coverage options for small employers and single-employee businesses and about the importance and value of health coverage.

Sec. 524.064. **ACCOUNTANT.** Authorizes TDI to employ an accountant with experience in federal tax law and the purchase of group health coverage as necessary to implement this chapter.

SUBCHAPTER C. FUNDING

Sec. 524.101. FUNDING. Redesignates Section 524.005 as Section 524.101. Makes a conforming change.

SECTION 2. Effective date: September 1, 2009.