

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

Revision 1

May 31, 2009

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB103 by Brown, Fred (Relating to health benefit plans for students at institutions of higher education and the operation of certain health benefit plans through student health centers at certain institutions of higher education.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill would require general academic teaching institutions with a total student enrollment of more than 20,000 students in one or more semesters of the preceding academic year to offer at least one "high deductible" health benefit plan to students.

Under provisions of the bill, the student health center of an institution of higher education with a total student enrollment of more than 20,000 students in one or more semesters of the preceding academic year would be required to assist students by filing or having a claim filed with the health benefit plan issuer on their behalf. An institution of higher education could contract with a health benefit plan issuer to provide health care services under the plan to students.

An institution of higher education, on behalf of the institution's student health center, may contract with a health benefit plan issuer that engages in the business of insurance in the health services region established by the Department of State Health Services in which the institution is located to provide a health benefit plan under which health care services are provided to students or other persons entitled to obtain health care services through the student health center who are covered by the plan. An institution would be required to enter into contracts with at least three of the largest health benefit plan issuers that engage in the business of insurance in the health service region established by the Department of State Health Services in which the institution is located under which the institution's student health center serves as a preferred provider under the preferred provider benefit plans operated by the issuers or operates as a provider of in-network coverage under the health maintenance organizations operated by the issuers.

Not later than January 15 of each year, the governing board of each institution of higher education would report to the Legislature the amount and sources of income for the funding the student health center including monies received from student fees and charges, health center pharmacy, claims filed under a health benefit plan sponsored by the institution, and claims filed under health benefit plans not sponsored by the institution. Several institutions indicated there could be additional administrative costs associated with implementing the legislation including filing claims and processing.

Provisions of this bill would be implemented within existing resources. The University of Texas System has indicated that some costs associated with implementation could be covered by increases in the student medical services fee.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System, 537 State Health Services, Department of, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

LBB Staff: JOB, CL, JRO, KK, RT, GO