

1-1 By: Hancock S.B. No. 1940
 1-2 (In the Senate - Filed March 7, 2019; March 19, 2019, read
 1-3 first time and referred to Committee on Business & Commerce;
 1-4 April 11, 2019, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 11, 2019,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1940 By: Hancock

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the administration of a temporary health insurance risk
 1-22 pool.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 1510.002, Insurance Code, is amended to
 1-25 read as follows:

1-26 Sec. 1510.002. ESTABLISHMENT OF TEMPORARY HEALTH INSURANCE
 1-27 RISK POOL. To the extent that federal funds are ~~become~~ available
 1-28 under federal law~~[, regulation, or executive action after March 1,~~
 1-29 ~~2017]~~, the commissioner may:

1-30 (1) apply for such funds; and

1-31 (2) use such funds to establish and administer a
 1-32 temporary health insurance risk pool for the purposes of this
 1-33 chapter.

1-34 SECTION 2. Section 1510.003, Insurance Code, is amended by
 1-35 amending Subsection (a) and adding Subsection (c) to read as
 1-36 follows:

1-37 (a) The exclusive purpose of the pool is to provide a
 1-38 temporary mechanism ~~[for maximizing available federal funding]~~ to
 1-39 assist residents of this state in obtaining access to quality,
 1-40 guaranteed issue health coverage ~~[care]~~ at minimum cost to the
 1-41 public.

1-42 (c) The pool may not be used in a manner that requires this
 1-43 state to assume functions currently performed by the United States
 1-44 Department of Health and Human Services or the United States
 1-45 Internal Revenue Service under the Patient Protection and
 1-46 Affordable Care Act (Pub. L. No. 111-148), including establishing
 1-47 an exchange or administering premium tax credits.

1-48 SECTION 3. Section 1510.004, Insurance Code, is amended to
 1-49 read as follows:

1-50 Sec. 1510.004. PROVISION OF GUARANTEED ISSUE HEALTH
 1-51 COVERAGE. (a) Subject to any requirements for obtaining federal
 1-52 funds ~~[held in the pool]~~, the commissioner may increase access to
 1-53 guaranteed issue health coverage by ~~[use pool funds]~~:

1-54 (1) establishing a high risk pool to provide
 1-55 alternative individual health insurance coverage to eligible
 1-56 individuals that does not diminish enrollment in ~~[the availability~~
 1-57 ~~of]~~ traditional commercial health care coverage;

1-58 (2) providing ~~[to provide]~~ funding to individual
 1-59 health benefit plan issuers that cover individuals with certain
 1-60 health or cost characteristics in exchange for lower enrollee

2-1 premium rates; or
2-2 (3) providing [~~to provide~~] a reinsurance program for
2-3 health benefit plan issuers in the individual market in exchange
2-4 for lower enrollee premium rates.

2-5 (b) If necessary to ensure access to quality individual
2-6 health insurance coverage for individuals with preexisting
2-7 conditions, the commissioner may take actions necessary to
2-8 establish a temporary high risk pool substantially similar to the
2-9 risk pool authorized by former Chapter 1506, Insurance Code,
2-10 repealed by Chapter 615 (S.B. 1367), Acts of the 83rd Legislature,
2-11 Regular Session, 2013, including:

2-12 (1) appointing a board of directors to govern the
2-13 temporary high risk pool;

2-14 (2) adopting rules or a plan of operation for the
2-15 temporary high risk pool; and

2-16 (3) contracting with a third party.

2-17 (c) Any rule or plan of operation adopted under Subsection
2-18 (b) remains in effect only until 30 days following the end of the
2-19 next regular session of the legislature unless a law is enacted that
2-20 authorizes coverage to be issued by the temporary risk pool and
2-21 provides for funding for coverage under the temporary risk pool.

2-22 SECTION 4. Section 1510.008(a), Insurance Code, is amended
2-23 to read as follows:

2-24 (a) The commissioner may apply to the United States
2-25 secretary of health and human services:

2-26 (1) under 42 U.S.C. Section 18052 for a waiver of
2-27 applicable provisions of the Patient Protection and Affordable Care
2-28 Act (Pub. L. No. 111-148) and any applicable regulations or
2-29 guidance; or

2-30 (2) under any applicable provision of federal law
2-31 [~~enacted on or after May 1, 2017,~~] for a waiver of applicable
2-32 provisions of any federal law, regulations, or guidance with
2-33 respect to health insurance coverage consistent with Section
2-34 1510.003.

2-35 SECTION 5. Section 1510.012(a), Insurance Code, is amended
2-36 to read as follows:

2-37 (a) Beginning June 1, 2020 [~~2018~~], not later than June 1 of
2-38 each year, the department shall submit a report to the governor, the
2-39 lieutenant governor, and the speaker of the house of
2-40 representatives.

2-41 SECTION 6. Section 1510.013, Insurance Code, is amended to
2-42 read as follows:

2-43 Sec. 1510.013. EXPIRATION OF CHAPTER. This chapter expires
2-44 August 31, 2021 [~~2019~~].

2-45 SECTION 7. This Act takes effect immediately if it receives
2-46 a vote of two-thirds of all the members elected to each house, as
2-47 provided by Section 39, Article III, Texas Constitution. If this
2-48 Act does not receive the vote necessary for immediate effect, this
2-49 Act takes effect September 1, 2019.

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