

BILL ANALYSIS

C.S.H.B. 103
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Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The majority of the student health centers in Texas currently have no mechanism in place to accept a patient's health insurance for medical care. Approximately 70 percent of college students in Texas have full health coverage through either their parent's insurance or an employee benefits package. Even though these students have insurance, the university health centers do not bill private insurance companies for care or medicine received by the student.

Through a combination of state funds and student service fees, these centers fully subsidize the medical care of all student-patients, regardless of whether that financial assistance is warranted or needed. This system perpetuates an ongoing financial crisis for the student health centers in Texas.

C.S.H.B. 103 requires a student health center at an institution with a student enrollment of more than 5,000 in one or more semesters of the preceding academic year to accept and process a patient's private health insurance for all care administered by the health center and requires an institution of higher education to contract with insurers to designate the health center as a provider under a benefit plan. The bill creates a model of financial self-sufficiency by mandating that these health centers fund their own needs without relying upon increased student fees or state funding.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 103 amends the Education Code to require the student health center of an institution of higher education with a total student enrollment of more than 5,000 students in one or more semesters of the preceding academic year to assist a student or other person entitled to obtain health care services through the health center in receiving benefits under a health benefit plan in which the student or other person is an enrollee by filing or having a claim filed with the plan issuer on behalf of the student or other person. The bill authorizes the institution to contract with a third-party billing service to provide this assistance.

C.S.H.B. 103 authorizes an institution to contract on the health center's behalf with a health benefit plan issuer that engages in the business of insurance in the health service 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 health center who are covered by the plan. The bill requires an institution to enter into contracts with at least three of the largest such health benefit plan insurers 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. The bill authorizes an institution to authorize the institution's health center to accept a student's medical services fee as payment toward a copayment, a deductible, or a charge or service not covered by the student's health benefit plan and requires money received by the health center as a result of a claim filed by or on behalf of a student through a health benefit plan to be retained for use by the student health center.

C.S.H.B. 103 requires the governing board of an institution to report to the legislature not later than January 15 of each year the amount of money received for funding the institution's health center from student fees and charges, from the operation of the student health center's pharmacy, and as a result of claims filed by or on behalf of the institution's health center under a health benefit plan sponsored by or administered on behalf of the institution or under another plan.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 103 requires an institution to assist a student or other person entitled to obtain health care services through the institution's health center in receiving benefits under a health benefit plan by filing or having a claim filed with the plan issuer on the student's or person's behalf if the institution's total student enrollment was more than 5,000 students in one or more semesters of the preceding academic year, whereas the original does not specify a required minimum student enrollment. The substitute adds a provision not in the original specifying that the health benefit plan described above is the plan in which the student or other person is an enrollee.

C.S.H.B. 103 adds a provision not in the original authorizing the institution to contract with a third-party billing service to provide the assistance regarding the filing of an eligible student's or other person's claim with a health benefit plan issuer.

C.S.H.B. 103 specifies that an institution is authorized to contract with a health benefit plan issuer that engages in the business of insurance in the health service region established by the Department of State Health Services (DSHS) in which the institution is located, whereas the original authorizes the institution to contract with a health benefit plan issuer if the institution is located within the geographic service area of the issuer's health benefit plan.

C.S.H.B. 103 adds a provision not in the original that requires an institution to enter into contracts with at least three of the largest health benefit plan issuers that engage in business in the DSHS health service region in which the institution is located and adds a provision for the role of the institution's health center under such a contract as either a preferred provider or as a provider of in-network coverage under a preferred provider benefit plan or under the health maintenance organizations operated by the issuers, respectively.

C.S.H.B. 103 adds provisions not in the original authorizing an institution to authorize the institution's health center to accept a student's medical services fee as payment towards a copayment, deductible, or other charge and requiring the money received by the health center as a result of a claim filed by or on behalf of a student through a benefit plan to be retained for use by the health center.