BILL ANALYSIS

Senate Research Center 76R9146 PB-D

S.B. 1194 By: Shapiro Economic Development 5/13/1999 As Filed

DIGEST

Currently, a person may collect compensation from a health insurance carrier for a work-related injury or illness. Although the carrier may continue to require the employee to continue to pay his or her insurance premiums, the employee is prohibited from agreeing with the carrier to deduct those premiums from the received benefits. S.B. 1194 would permit certain persons who have incurred a compensable injury to pay the premiums for health care coverage through regular deductions by the carrier from the person's income benefit payments and forwarded to the employer.

PURPOSE

As proposed, S.B. 1194 authorizes persons who have incurred a compensable injury to pay the premiums for health care coverage through a regularly deduction from the person's benefits.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 408K, Labor Code, by adding Section 408.204, as follows:

Sec. 408.204. PAYMENT FROM INCOME BENEFITS OF CERTAIN HEALTH INSURANCE PREMIUMS. Applies this section to an employee who has incurred a compensable injury and is receiving income benefits under this subtitle. Authorizes certain employees to enter in an agreement with the employer's health insurance to deduct from the employee's income benefits an amount to apply to the employee's share of the premium for the insurance. Requires the carrier to transmit the deducted amount to the employer and to deduct the amount in a timely manner. Requires the Texas Workers' Compensation Commission (commission) to prescribe, by rule, the requirements for the agreement.

SECTION 2. (a) Effective date: September 1, 1999.

(b) Requires the commission to adopt the rules by December 1, 1999.

SECTION 3. Emergency clause.