

## **BILL ANALYSIS**

Senate Research Center  
81R2413 PMO-F

S.B. 80  
By: Nelson  
State Affairs  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, insurance carriers must maintain a uniform contribution level for all groups across Texas. Therefore, insurance carriers are not permitted to offer varying contribution rates as an option to small employers.

Forty-four percent of uninsured Texas workers are employed by companies with fewer than 25 employees. This bill will provide another option for small employers to offer insurance to their employees.

As proposed, S.B. 80 authorizes insurance carriers to issue, as an option for small employers, group health plans that require the employer to contribute 100 percent of the employee premium.

### **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 Section 1501.153, Insurance Code, by adding Subsection (a-1), as follows:

(a-1) Authorizes a small employer health benefit plan issuer, notwithstanding Subsection (a), to offer a small employer the option of a small employer health benefit plan for which the employer is required to contribute 100 percent of the premium paid. Authorizes a plan offered under this subsection to be offered in addition to a plan offered by the issuer in accordance with Subsection (a) that requires a lower percentage of the premium paid to be contributed by the employer. Requires a plan issued under this subsection to require the employer to contribute 100 percent of the premium paid for each eligible participating employee.

SECTION 2. Makes application of this Act prospective to January 1, 2010.

SECTION 3. Effective date: September 1, 2009.