

INSURANCE CODE - NOT CODIFIED

TITLE 1. THE INSURANCE CODE OF 1951

CHAPTER 3. LIFE, HEALTH AND ACCIDENT INSURANCE

SUBCHAPTER E. GROUP, INDUSTRIAL AND CREDIT INSURANCE

Art. 3.51. GROUP INSURANCE FOR EMPLOYEES OF STATE AND ITS SUBDIVISIONS AND COLLEGE AND SCHOOL EMPLOYEES.

Sec. 1. (a) The State of Texas and each of its political, governmental and administrative subdivisions, departments, agencies, associations of public employees, and the governing boards and authorities of each state university, colleges, common and independent school districts or of any other agency or subdivision of the public school system of the State of Texas are authorized to procure contracts with any insurance company authorized to do business in this state insuring their respective employees, or if an association of public employees is the policyholder, insuring its respective members, or any class or classes thereof under a policy or policies of group health, accident, accidental death and dismemberment, disability income replacement and hospital, surgical and/or medical expense insurance or a group contract providing for annuities. The dependents of any such employees or association members, as the case may be, may be insured under group policies which provide hospital, surgical and/or medical expense insurance. The insureds' contributions to the premiums for such insurance or annuities issued to the employer or to an association of public employees as the policyholder may be deducted by the employer from the insureds' salaries when authorized in writing by the respective employees so to do. The premium for the policy or contract may be paid in whole or in part from funds contributed by the employer or in whole or in part from funds contributed by the insured employees. When an association of public employees is the holder of such a policy of insurance or contract, the premium for employees that are members of such association may be paid in whole or in part by the State of Texas or other agency authorized to procure contracts or policies of insurance under this section, or in whole or in part from funds

contributed by the insured employees that are members of such association; provided, however, that any monies or credits received by or allowed to the policyholder or contract holder pursuant to any participation agreement contained in or issued in connection with the policy or contract shall be applied to the payment of future premiums and to the pro rata abatement of the insured employee's contribution therefor.

The term employees as used herein in addition to its usual meaning shall include elective and appointive officials of the state.

(b) Independent School Districts procuring policies insuring their employees under this Section may pay all or any portion of the premiums on such policies from the local funds of such Independent School District, but in no event shall any part of such premiums be paid from funds paid such districts by the State of Texas.

Sec. 2. All group insurance contracts effected pursuant hereto shall conform and be subject to all the provisions of any existing or future laws concerning group insurance.

Sec. 3. (a) Notwithstanding any other provision of this article, a common or independent school district or any other agency or subdivision of the public school system of this state that is participating in the uniform group coverage program established under Article 3.50-7 of this code may not procure contracts under this article for health insurance coverage and may not renew a health insurance contract procured under this article after the date on which the program of coverages provided under Article 3.50-7 of this code is implemented.

(b) This section does not preclude an entity described by Subsection (a) of this section from procuring contracts under this article for the provision of optional insurance coverages for the employees of the entity.

Acts 1951, 52nd Leg., ch. 491. Amended by Acts 1961, 57th Leg., p. 840, ch. 376, Sec. 1; Acts 1967, 60th Leg., p. 239, ch. 126, Sec. 1, eff. Aug. 28, 1967; Acts 1967, 60th Leg., p. 1007, ch. 437, Sec. 2, eff. Aug. 28, 1967; Acts 1969, 61st Leg., p. 1371, ch. 414, Sec. 2, eff. Sept. 1, 1969.

Sec. 3 added by Acts 2001, 77th Leg., ch. 1187, Sec. 3.16, eff.

Sept. 1, 2001.

Art. 3.51-1. PAYMENT OF GROUP INSURANCE PREMIUMS BY CITIES, TOWNS OR VILLAGES. Any incorporated city, town or village in the State of Texas which is authorized by law to procure a contract insuring its respective employees or any class or classes thereof under a policy or policies of group insurance covering one or more risks may pay all or any portion of the premiums on such policy or policies from the local funds of such city, town or village.

Added by Acts 1963, 58th Leg., p. 323, ch. 121, Sec. 1. Amended by Acts 1981, 67th Leg., p. 1868, ch. 445, Sec. 1, eff. June 11, 1981.

Art. 3.51-4. PAYMENT OF PREMIUMS OF GROUP LIFE AND HEALTH INSURANCE POLICIES FOR RETIREES OF THE CENTRAL EDUCATION AGENCY, THE TEXAS REHABILITATION COMMISSION, THE COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM, RETIRED EMPLOYEES OF THE TEXAS DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION WHO ACCEPTED RETIREMENT UNDER THE TEACHER RETIREMENT SYSTEM OF TEXAS, RETIRED EMPLOYEES OF THE TEXAS YOUTH COMMISSION WHO ACCEPTED RETIREMENT UNDER THE TEACHER RETIREMENT SYSTEM OF TEXAS, AND RETIRED EMPLOYEES OF THE TEACHER RETIREMENT SYSTEM OF TEXAS WHO ACCEPTED RETIREMENT UNDER THE TEACHER RETIREMENT SYSTEM OF TEXAS. The premium cost of group life, health, accident, hospital, surgical and/or medical expense insurance for retirees of the Central Education Agency, the Texas Rehabilitation Commission, the Coordinating Board, Texas College and University System, for retired employees of the Texas Department of Mental Health and Mental Retardation, the Texas Youth Commission, and the Teacher Retirement System of Texas who accepted retirement under the Teacher Retirement System of Texas pursuant to Chapter 3, Texas Education Code, shall be paid by the State of Texas, subject to the following limitations and conditions:

(a) Payment shall be from the funds of the agency, commission, board or department from which the officer or employee retired, shall be limited to the same amount allowed active employees under current group life and health insurance programs of the agency, commission, board or department, and shall be made in accordance with rules and regulations to be established no later

than September 1, 1973, by the Central Education Agency, the Texas Rehabilitation Commission, and the Coordinating Board, Texas College and University System for its respective retirees and no later than September 1, 1975, by the Texas Department of Mental Health and Mental Retardation, the Texas Youth Commission, and the Teacher Retirement System of Texas for their retired employees who accepted retirement under the Teacher Retirement System of Texas pursuant to Chapter 3, Texas Education Code.

(b) The agency, commission, board and department shall certify to the state comptroller of public accounts each month the amount required each month to pay the insurance premiums of the said retirees, and the State of Texas shall pay the amount so ascertained each month, beginning September 1, 1973, to the Central Education Agency, the Texas Rehabilitation Commission, and the Coordinating Board, Texas College and University System, and beginning September 1, 1975, to the Texas Department of Mental Health and Mental Retardation and the Texas Youth Commission.

Added by Acts 1973, 63rd Leg., p. 600, ch. 254, Sec. 1, eff. June 11, 1973. Amended by Acts 1975, 64th Leg., p. 1027, ch. 394, Sec. 1, eff. June 19, 1975.

Amended by Acts 1983, 68th Leg., p. 181, ch. 44, art. 3, Sec. 1, eff. April 26, 1983; Acts 1997, 75th Leg., ch. 1423, Sec. 11.13, eff. Sept. 1, 1997.

Art. 3.51-5. PAYMENTS OF GROUP LIFE AND HEALTH INSURANCE PREMIUMS FOR RETIRED EMPLOYEES OF THE TEXAS CENTRAL EDUCATION AGENCY, THE TEXAS REHABILITATION COMMISSION, THE TEXAS DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION, THE TEXAS YOUTH COMMISSION, A TEXAS SENIOR COLLEGE OR UNIVERSITY, AND THE COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM. (a) The costs of group life and health insurance premiums to persons retired under the Teacher Retirement Act, who at the time of their retirement were employed by the Texas Central Education Agency, the Texas Rehabilitation Commission, the Texas Department of Mental Health and Mental Retardation, the Texas Youth Commission, a Texas senior college or university, and the Coordinating Board, Texas College and University System, shall be fully paid from the funds of

such agency, commission, institution, or board under the following provisions and conditions: (1) The coverage of this Act shall extend to all such retired persons within the limits of eligibility under state contracts in force on the effective date of this Act or as may be otherwise provided by law; (2) such payment shall be in accordance with rules and regulations established by such agency, commission, institution, or board; (3) such agency, commission, institution, and board shall certify to the Comptroller of Public Accounts each month the amount so ascertained each month to such agency, commission, institution, and board; (4) payments shall begin on the first day of the month following the month in which this Act takes effect and shall continue to be paid until otherwise provided by law.

(b) There are hereby authorized to be paid out of the funds of each agency, commission, institution, or board named in the Act the sums necessary to fund the payments of premiums provided in this Act.

Added by Acts 1975, 64th Leg., p. 1062, ch. 408, Sec. 1, eff. Sept. 1, 1975.

Amended by Acts 1983, 68th Leg., p. 182, ch. 44, art. 3, Sec. 2, eff. April 26, 1983; Subsec.(a) amended by Acts 1997, 75th Leg., ch. 1423, Sec. 11.14, eff. Sept. 1, 1997.

Art. 3.51-7. PAYMENTS OF ADDITIONAL DEATH BENEFITS FOR RETIRED APPOINTED OFFICERS AND EMPLOYEES OF THE TEACHER RETIREMENT SYSTEM OF TEXAS, AND THE TEXAS CENTRAL EDUCATION AGENCY, AND THE TEXAS SCHOOLS FOR THE BLIND AND VISUALLY IMPAIRED AND FOR THE DEAF.

(a) This article shall apply only to persons retired as annuitants under the provisions of the Teacher Retirement System of Texas who were immediately prior to retirement appointed officers or employees of the Central Education Agency, the Teacher Retirement System of Texas, the Texas School for the Blind and Visually Impaired, or for the Texas School for the Deaf.

(b) There shall be paid from the funds of the Central Education Agency, the Teacher Retirement System of Texas, the Texas School for the Blind and Visually Impaired, or for the Texas School for the Deaf an additional lump-sum death benefit in such amount as,

when added to any lump-sum death benefit payable under the provisions of the Teacher Retirement System of Texas, shall equal \$5,000 upon satisfactory proof of the death, occurring on or after September 1, 1977, of any person defined in Part (a) of this article. Each such additional lump-sum death benefit shall be paid from the funds of the agency or school from which such person retired.

(c) Such benefit shall be paid as provided by the laws of descent and distribution unless the retiree has directed in writing that it be paid otherwise.

(d) Such payment shall be made in accordance with rules and regulations established by the Central Education Agency, the Teacher Retirement System of Texas, the Texas School for the Blind and Visually Impaired, or for the Texas School for the Deaf, and each shall certify to the Comptroller of Public Accounts of Texas each month the amounts of all such payments made in the preceding month.

(e) There are hereby authorized to be paid out of the funds of the Central Education Agency, the Teacher Retirement System of Texas, the Texas School for the Blind and Visually Impaired, or for the Texas School for the Deaf the sums necessary to pay such additional lump-sum death benefits.

Added by Acts 1977, 65th Leg., p. 1272, ch. 494, Sec. 1, eff. June 15, 1977.

Amended by Acts 1989, 71st Leg., ch. 247, Sec. 17, eff. June 14, 1989; Subsec. (d) amended by Acts 1997, 75th Leg., ch. 1423, Sec. 11.15, eff. Sept. 1, 1997.

#### SUBCHAPTER G. ACCIDENT AND SICKNESS INSURANCE

Art. 3.70-3D. CONSUMER ASSISTANCE PROGRAM FOR HEALTH MAINTENANCE ORGANIZATIONS.

Text of article effective upon appropriation of funds

(a) The consumer assistance program for health maintenance organizations is established. The commissioner may contract,

through a request for proposals, with a nonprofit organization to operate the program.

(b) The program shall:

(1) assist individual consumers in complaints or appeals within the operation of a health maintenance organization, and outside of the operation of a health maintenance organization, including appeals under Article 21.58A of this code or in Medicaid and Medicare fair hearings; and

(2) refer consumers to other programs or agencies if appropriate.

(c) The program may:

(1) operate a statewide clearinghouse for objective consumer information about health care coverage, including options for obtaining health care coverage; and

(2) accept gifts, grants, or donations from any source for the purpose of operating the program. The program may charge reasonable fees to consumers to support the program.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1147, Sec. 2.008(1), eff. September 1, 2011.

(e) A nonprofit organization contracting with the commissioner pursuant to Subsection (a) must not be involved in providing health care or health care plans and must demonstrate that it has expertise in providing direct assistance to consumers with respect to their concerns and problems with health maintenance organizations.

Added by Acts 1999, 76th Leg., ch. 1457, Sec. 5, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1147 (H.B. [1951](#)), Sec. 2.008(1), eff. September 1, 2011.