Texas House Bill 1627 Waiver

The City of Pharr. Texas is aware that in 1999 the Texas Legislature amended the Insurance Code by adding Subchapter E, Article 21 that placed certain requirements on an insurer. The requirements are as follows:

"Article 21.49.16

Sec.2 REQUIREMENTS.

(a) An insurer who bids on a contract subject to the competitive bidding and competitive proposal requirements adopted under Section 252.021, Local Government Code, may not submit a bid for a contract to provide stop-loss or other insurance coverage that is subject to any qualification imposed by the insurer that permits the insurer to modify or limit the terms of insurance coverage to be provided after the contract has been made. An insurer's bid submitted under Section 252.021, Local Government Code, must contain the entire offer made by the insurer.

(b) An insurer who provides stop-loss or other insurance coverage for health benefits under a contract subject to this article may not, based on an individual's prior medical history, exclude an individual who is otherwise eligible for the health benefits coverage from coverage or assign a higher deductible to the individual."

In 2001, the Texas Legislature, through HB 1466, amended Article 21.49.16 of the Insurance Code to permit a municipality to waive either, or both, of the above stated subsections.

In the interest of obtaining the most advantageous stop loss and insurance quotes available to the City of Pharr, Texas, we hereby waive both subsections (a) and (b) of Article 21.49.16 as stated above. This waiver does not mean that The City of Pharr, Texas will accept a proposal that is not a firm bid or that excludes or assigns an individual a higher deductible. The City of Pharr will evaluate all qualified bids received and award the stop loss to the bid deemed the most advantageous to the City of Pharr, Texas.

This waiver is hereby authorized by:

(Signature)

Asst. Finance Director

(Title)

6/15/15

(Date)