

INSURANCE CODE

TITLE 8. HEALTH INSURANCE AND OTHER HEALTH COVERAGES

SUBTITLE K. CERTAIN BENEFITS AND ARRANGEMENTS THAT ARE NOT
INSURANCE

CHAPTER 1683. HEALTH BENEFITS PROVIDED BY CERTAIN POSTSECONDARY
EDUCATIONAL INSTITUTIONS

Sec. 1683.001. DEFINITIONS. In this chapter:

(1) "Higher education health benefits" means health benefits:

(A) sponsored by a postsecondary educational institution;

(B) offered only to:

(i) students enrolled at the postsecondary educational institution; and

(ii) family members of students enrolled at the postsecondary educational institution;

(C) that are not provided through an insurance policy or other product the offering or issuance of which is regulated as the business of insurance in this state; and

(D) that are deemed by the postsecondary educational institution to be important in assisting its students and their families to live long and productive lives.

(2) "Postsecondary educational institution" means an institution of higher education or a private or independent institution of higher education, as those terms are defined by Section [61.003](#), Education Code.

(3) "Preexisting condition" means a condition present before the effective date of an individual's enrollment in higher education health benefits.

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. [1409](#)), Sec. 2, eff. May 13, 2025.

Sec. 1683.002. HIGHER EDUCATION HEALTH BENEFITS AUTHORIZED. A postsecondary educational institution may offer in this state higher education health benefits. A postsecondary educational institution that offers higher education health

benefits under this chapter may not require a student to enroll in the benefits.

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. [1409](#)), Sec. 2, eff. May 13, 2025.

Sec. 1683.003. WAITING PERIOD FOR PREEXISTING CONDITION. Notwithstanding any other provision of this chapter, a postsecondary educational institution that offers higher education health benefits may not require a waiting period of more than six months for treatment of a preexisting condition otherwise included in higher education health benefits.

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. [1409](#)), Sec. 2, eff. May 13, 2025.

Sec. 1683.004. REQUIRED DISCLOSURE FOR HIGHER EDUCATION HEALTH BENEFITS. (a) A postsecondary educational institution that offers higher education health benefits must provide to an individual applying for higher education health benefits written notice that the benefits are not provided through an insurance policy or other product the offering or issuance of which is regulated as the business of insurance in this state.

(b) An individual must sign and return to the postsecondary educational institution the notice described by Subsection (a) before the individual may enroll in higher education health benefits. The postsecondary educational institution must:

(1) maintain a copy of the signed written notice for the duration of the term during which the higher education health benefits are provided to the individual; and

(2) at the request of the individual, provide a copy of the written notice to the individual.

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. [1409](#)), Sec. 2, eff. May 13, 2025.

Sec. 1683.005. POSTSECONDARY EDUCATIONAL INSTITUTION NOT ENGAGED IN BUSINESS OF HEALTH INSURANCE; REGISTRATION REQUIRED.

(a) Notwithstanding any other provision of this code, for the purposes of offering higher education health benefits, a

postsecondary educational institution that acts in accordance with this chapter is not a health insurer and is not engaging in the business of health insurance in this state.

(b) A postsecondary educational institution that offers higher education health benefits must register with the department and provide information as needed to facilitate compliance with Chapter 1467, as applicable to those benefits under Section 1275.004.

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. 1409), Sec. 2, eff. May 13, 2025.

Sec. 1683.006. RISK TRANSFER OR COVERAGE. A postsecondary educational institution that offers higher education health benefits under this chapter may contract with a company authorized to engage in the business of insurance in this state that is not under common control with the postsecondary educational institution to:

(1) transfer to that company all or a portion of the organization's risks arising from higher education health benefits offered under this chapter; or

(2) obtain insurance coverage from the company guarantying the postsecondary educational institution's obligations arising from higher education health benefits offered under this chapter.

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. 1409), Sec. 2, eff. May 13, 2025.

Sec. 1683.007. ACTUARIAL SOUNDNESS. (a) A postsecondary educational institution that offers higher education health benefits under this chapter shall administer the benefits in a manner that is actuarially sound.

(b) The postsecondary educational institution shall ensure the higher education health benefits offered by the postsecondary educational institution are actuarially sound by:

(1) obtaining an actuarial opinion from an actuary who is a fellow of the Society of Actuaries or a member of the American Academy of Actuaries that recommends the amount of cash reserves

and the level of specific and aggregate stop-loss insurance the postsecondary educational institution should maintain for purposes of administering the benefits; and

(2) maintaining the levels of cash reserves and stop-loss insurance recommended by the actuarial opinion obtained under Subdivision (1).

Added by Acts 2025, 89th Leg., R.S., Ch. 16 (S.B. [1409](#)), Sec. 2, eff. May 13, 2025.