



General Assembly

Substitute Bill No. 7396

January Session, 2007

* _____ HB07396APP __ 041907 _____ *

**AN ACT CONCERNING THE ESTABLISHMENT BY THE
COMPTROLLER OF A PUBLIC EMPLOYEE HEALTH PLAN FOR
MUNICIPALITIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2008*) As used in this section and
2 in sections 2 to 4, inclusive, of this act:

3 (1) "Municipality" means any town, consolidated town and city or
4 consolidated town and borough, regional school district and board of
5 education;

6 (2) "Employee" means any employee of a town, including
7 employees of such town's board of education, whether or not in the
8 classified service of the town, except "employee" shall not include
9 elected officials unless the elected official is covered by the town's
10 health benefits program on the effective date of this section, or such
11 benefits are provided by local ordinance, board and commission
12 members, and part-time employees who work fewer than twenty
13 hours per week or on a seasonal basis unless an applicable collective
14 bargaining agreement permits eligibility for fewer hours worked;

15 (3) "Employee organization" means any lawful association, labor
16 organization, federation or council having as a primary purpose the
17 improvement of wages, hours and other conditions of employment

18 among town and board of education employees;

19 (4) "Seasonal basis" means working for a period of not more than
20 one hundred twenty calendar days in any calendar year; and

21 (5) "Public Employee Health Plan" means the health benefits plan
22 offered to each municipality by the Comptroller.

23 Sec. 2. (NEW) (*Effective July 1, 2008*) (a) The Comptroller, with the
24 approval of the Attorney General and the Insurance Commissioner,
25 shall arrange and procure a group hospitalization and medical and
26 surgical insurance plan or plans for eligible employees. Such plan or
27 plans shall be known as the Public Employee Health Plan. Each
28 eligible employee shall be enrolled in the Public Employee Health Plan
29 by the employing municipality.

30 (b) No eligible employee or group of eligible employees shall be
31 denied membership in the plan by reason of past or future health care
32 costs or claim experience.

33 (c) No municipality shall reduce the hours an employee is permitted
34 to work in a position or change a full-time position to multiple part-
35 time positions in order to prevent a municipal employee from being
36 eligible for coverage under the plan.

37 (d) Notwithstanding any provision of chapter 700c of the general
38 statutes, the coverage provided under the Public Employee Health
39 Plan shall be offered on a risk-pooled basis. The Comptroller may
40 contract with an administrative services organization to provide
41 administrative services for the plan. The Public Employee Health Plan
42 shall not be considered a multiemployer welfare plan.

43 (e) The Comptroller shall adopt regulations, in accordance with the
44 provisions of chapter 54 of the general statutes, to implement the
45 provisions of this section.

46 (f) The amount due to the Comptroller from each municipality shall
47 be determined by multiplying the number of eligible employees in

48 each of the following categories: (1) Individual employee; (2) employee
49 plus one; and (3) family, by the number of covered employees in each
50 category employed by the municipality. Such amount due shall
51 include a proportionate share of the cost of the administration of the
52 plan and the establishment of a reserve fund, as determined by the
53 Comptroller, based on the number of covered employees of such
54 municipality and such employees' dependents.

55 (g) Each municipality shall pay the amount determined by the
56 Comptroller pursuant to subsection (a) of this section, in accordance
57 with regulations adopted by the Comptroller in accordance with the
58 provisions of chapter 54 of the general statutes. For the fiscal year
59 beginning July 1, 2007, each municipality shall provide the
60 Comptroller with census data which sets forth the number of persons
61 who are covered by the health care plan, and the category of such
62 person's coverage, as enumerated in subsection (f) of this section, as of
63 June thirtieth of the preceding fiscal year.

64 Sec. 3. (NEW) (*Effective from passage*) (a) There is established a
65 municipal health care cost containment committee. Such committee
66 shall: (1) Make recommendations to the Comptroller on the selection of
67 a health benefits plan or plans; (2) be responsible for requesting
68 competitive proposals for employee health and dental insurance
69 benefits and for cost containment; (3) request bids for self-insurance;
70 and (4) develop health benefits and coverage plans that shall be
71 reasonably equivalent to the benefits and coverage provided to active
72 municipal employees prior to July 1, 2008.

73 (b) The municipal health care cost containment committee shall
74 consist of the following members: (1) Ten municipal representatives;
75 (2) ten employee organization representatives; and (3) one neutral
76 chairperson. The chairperson of the committee shall be a member of
77 the National Academy of Neutral Arbitrators or an arbitrator
78 authorized to serve as a neutral arbitrator in labor relations cases by
79 the American Arbitration Association or the Federal Mediation and
80 Conciliation Service, and shall not be covered by the insurance pool.

81 The municipal representatives shall be appointed to said cost
 82 containment committee from the municipalities and boards of
 83 education, by and through their member organizations. The municipal
 84 representatives shall have, collectively, one vote. The employee
 85 organization representatives shall be appointed to said containment
 86 committee from employee organizations that represent municipal and
 87 board of education employees. The employee organization
 88 representatives shall have, collectively, one vote. The municipal health
 89 care cost containment committee shall be staffed and advised by the
 90 Comptroller, or by the Comptroller's designee.

91 Sec. 4. (NEW) (*Effective July 1, 2008*) On and after July 1, 2008,
 92 matters relating to the provision of risk-pooled health care or health
 93 insurance coverage shall not be subject to collective bargaining under
 94 section 7-468 of the general statutes, except for bargaining relating to
 95 the premium share to be contributed by employees represented by an
 96 employee organization. The provisions of this section and sections 2
 97 and 3 of this act shall not supersede the provisions of any collective
 98 bargaining agreement in effect on July 1, 2008, but, upon the expiration
 99 of any such agreement, the provisions of this section and said sections
 100 2 and 3 shall apply to subsequent collectively bargained agreements
 101 between the parties to any such agreement.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	New section
Sec. 2	<i>July 1, 2008</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>July 1, 2008</i>	New section

APP *Joint Favorable Subst.*