



General Assembly

February Session, 2008

**Raised Bill No. 5536**

LCO No. 1670

\*01670\_\_\_\_\_LAB\*

Referred to Committee on Labor and Public Employees

Introduced by:  
(LAB)

**AN ACT ESTABLISHING THE CONNECTICUT HEALTHCARE PARTNERSHIP.**

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

1 Section 1. (NEW) (*Effective from passage*) (a) As used in sections 1 to  
2 8, inclusive, of this act:

3 (1) "Labor organization" means any organization that exists and is  
4 constituted for the purpose, in whole or in part, of collective  
5 bargaining or of dealing with employers concerning grievances, terms  
6 or conditions of employment, or other mutual aid or protection.

7 (2) "Nonstate public employer" means a municipality or other  
8 political subdivision of the state, including an employee of a board of  
9 education or any employee of a quasi-public agency or public library.

10 (3) "Nonstate public employee" means any regular employee or  
11 elected officer of a non-state public employer.

12 (4) "Municipal-related employer" means any property management  
13 business, food service business or school transportation business that  
14 is a party to a contract with a nonstate public employer.

15 (5) "Municipal-related employee" means any employee of a  
16 municipal-related employer performing services in connection with a  
17 nonpublic contract.

18 (6) "Nonstate public collective bargaining agreement" means the  
19 collective bargaining agreement in effect between any collective  
20 bargaining agent of any nonstate public employees and their  
21 employer.

22 (7) "Small employer" means any person, firm, corporation, limited  
23 liability company, partnership or association actively engaged in  
24 business or self-employed for at least three consecutive months who,  
25 on at least fifty per cent of its working days during the preceding  
26 twelve months, employed no more than fifty eligible employees, as  
27 described in subsection (b) of this section, the majority of whom were  
28 employed within this state. "Small employer" does not include any  
29 nonstate public employer.

30 (8) "Nonprofit employer" means a nonprofit corporation, as  
31 described in section 33-1002 of the general statutes. Nonprofit  
32 employer does not include a nonstate public employer.

33 (9) "State employee plan" or "plan" means the plan offered to state  
34 employees and retirees pursuant to section 5-259 of the general  
35 statutes.

36 (10) "Health care costs containment committee" means the  
37 committee established pursuant to the ratified agreement between the  
38 state and state employees' Bargaining Agent Coalition pursuant to  
39 subsection (f) of section 5-278 of the general statutes.

40 (b) For purposes of sections 1 to 8, inclusive, of this act, "eligible  
41 employees" does not include employees covered through the employer  
42 by health insurance plans or insurance arrangements issued to or in  
43 accordance with a trust established pursuant to collective bargaining  
44 subject to the federal Labor Management Relations Act. In determining

45 the number of eligible employees, companies which are affiliates, as  
46 defined in section 33-840 of the general statutes, or which are eligible  
47 to file a combined tax return under chapter 208 of the general statutes  
48 shall be considered one employer.

49 Sec. 2. (NEW) (*Effective January 1, 2009*) (a) Notwithstanding any  
50 provision of title 38a of the general statutes, the Comptroller shall offer  
51 coverage under the state employee plan to nonstate public employees,  
52 municipal-related employees, employees of small employers and  
53 employees of nonprofit employers. Premium payments for such  
54 coverage shall be remitted by the employer to the Comptroller and  
55 shall be the same as those paid by the state, except as may be modified  
56 pursuant to section 4 of this act. The Comptroller shall offer  
57 participation in such plan for no shorter than three-year intervals.

58 (b) Nonstate public employees may join the plan in accordance with  
59 this subsection.

60 (1) Upon receipt of an application to cover, under the state  
61 employee plan, all employees of a municipality or all employees of a  
62 school board, or all employees of any other nonstate public employer,  
63 the Comptroller shall provide such coverage no later than the first day  
64 of the second calendar month following such application.

65 (2) Upon receipt of an application to cover, under the state  
66 employee plan, some employees of such employer, the Comptroller  
67 shall provide such coverage no later than the first day of the second  
68 calendar month following such application provided such coverage  
69 may be delayed by the Comptroller until all employees of the  
70 employer are seeking coverage, to the extent that the health care costs  
71 containment committee certifies to the Comptroller that the delay is  
72 necessary to prevent a nonstate public employer from shifting a  
73 significantly disproportional part of its medical risks to the state  
74 employee plan.

75 (3) Nonstate public employees and their dependents covered by a

76 nonstate public collective bargaining agreement may seek enrollment  
77 under the state employee plan by mutual agreement of their collective  
78 bargaining agent and the employer or as a result of binding arbitration,  
79 as set forth in the general statutes.

80 (c) Employees of small employers may join the plan in accordance  
81 with this subsection.

82 (1) Premium rates may be adjusted by the health care costs  
83 containment committee pursuant to the factors allowed for a  
84 community rate under section 38a-567 of the general statutes.

85 (2) Upon receipt of an application to cover, under the state  
86 employee plan, all employees of such a small employer, the  
87 Comptroller shall provide such coverage no later than the first day of  
88 the second calendar month following such application.

89 (3) Upon receipt of an application to cover, under the state  
90 employee plan, some employees of such an employer, the Comptroller  
91 shall provide such coverage no later than the first day of the second  
92 calendar month following such application provided such coverage  
93 may be delayed by the Comptroller until all employees of the  
94 employer are seeking coverage, to the extent that the health care costs  
95 containment committee certifies to the Comptroller that the delay is  
96 necessary to prevent the employer from shifting a significantly  
97 disproportional part of its medical risks to the state employee plan.

98 (d) Employees of municipal-related employers, which are not small  
99 employers, and the employees of nonprofit employers, which are not  
100 small employers, may join the plan in accordance with this subsection.

101 (1) Upon receipt of an application to cover, under the state  
102 employee plan, all employees of such an employer, the Comptroller  
103 shall provide such coverage no later than the first day of the second  
104 calendar month following such application.

105 (2) Upon receipt of an application to cover, under the state

106 employee plan, some employees of such an employer, the Comptroller  
107 shall provide such coverage no later than the first day of the second  
108 calendar month following such application provided such coverage  
109 may be delayed by the Comptroller until all employees of the  
110 employer are seeking coverage, to the extent that the health care costs  
111 containment committee certifies to the Comptroller that the delay is  
112 necessary to prevent the employer from shifting a significantly  
113 disproportional part of its medical risks to the state employee plan.

114 (e) The decision by individual employees to accept or decline  
115 coverage for themselves or their dependents shall have no impact on  
116 whether, and on what terms, coverage is available to employers under  
117 this section.

118 (f) Notwithstanding any provision of the general statutes, the state  
119 employee plan shall not be deemed (1) an unauthorized insurer, or (2)  
120 a multiple employer welfare arrangement. Any licensed insurer in this  
121 state may conduct business with the state employee plan.

122 Sec. 3. (NEW) (*Effective January 1, 2009*) (a) Employers eligible,  
123 pursuant to sections 1 to 8, inclusive, of this act, to seek coverage for  
124 their employees under the state employee plan may seek such  
125 coverage for their retirees in accordance with this section.

126 (b) Upon receipt of an application to cover, under the state  
127 employee plan, such retirees, the Comptroller shall provide such  
128 coverage no later than the first day of the second calendar month  
129 following such application, provided such coverage may be denied by  
130 the Comptroller to the extent that the health care costs containment  
131 committee certifies to the Comptroller that the denial is necessary to  
132 prevent the employer from shifting a significantly disproportional part  
133 of its medical risks to the state employee plan.

134 Sec. 4. (NEW) (*Effective January 1, 2009*) (a) Each employer shall pay  
135 monthly the amount determined by the Comptroller pursuant to this  
136 section for coverage of its employees under the state employee plan.

137 An employer may require each covered employee to contribute a  
138 portion of the cost of such employee's coverage under the plan, subject  
139 to any collective bargaining obligation applicable to such employer. If  
140 any payment due under this subsection is not paid two months after  
141 the date due, interest shall be added to such payment at the prevailing  
142 rate of interest, as determined by the Comptroller. Such interest shall  
143 be paid by the employer.

144 (b) There is established, within the General Fund, a separate,  
145 nonlapsing account to be known as the state plan premium account.  
146 All premiums paid by employers and employees pursuant to sections  
147 1 to 8, inclusive, of this act shall be deposited into said account. The  
148 account shall be administered by the Comptroller, in conjunction with  
149 the health care costs containment committee.

150 Sec. 5. (NEW) (*Effective January 1, 2009*) The Office of the Healthcare  
151 Access, working with the advice and consent of the health care costs  
152 containment committee, shall employ up to three ombudspersons for  
153 the purpose of advising any eligible employer and any collective  
154 bargaining agent of any eligible employers as to the advantages or  
155 disadvantages to the employer and its employees of procuring  
156 coverage under the state employee plan.

157 Sec. 6. (NEW) (*Effective January 1, 2009*) Modifications to the  
158 collective bargaining agreement between the State Employees  
159 Bargaining Agent Coalition and the State, which are necessary in order  
160 to offer coverage under the state employee plan to those additional  
161 employees made eligible for coverage under sections 1 to 8, inclusive,  
162 of this act, shall take place upon receipt by the Comptroller of consent  
163 to such modifications by the coalition.

164 Sec. 7. (NEW) (*Effective January 1, 2009*) No later than January 1,  
165 2010, the Comptroller, with the advice and consent of the health care  
166 costs containment committee, shall report to the General Assembly, in  
167 accordance with section 11-4a of the general statutes,  
168 recommendations for the terms and conditions under which access to

169 the state employee plan may be provided to those not authorized  
170 access pursuant to sections 1 to 8, inclusive, of this act.

171 Sec. 8. (NEW) (*Effective from passage*) (a) There is established a  
172 municipal health care costs containment committee. Said committee  
173 shall make advisory recommendations concerning health care  
174 coverage of municipal employees to the health care costs containment  
175 committee, as defined in section 1 of this act.

176 (b) The municipal health care costs containment committee shall  
177 consist of the following members: (1) Municipal representatives  
178 selected by the Comptroller; (2) employee representatives selected by  
179 the Comptroller; and (3) one neutral chairperson, who shall be jointly  
180 chosen by the municipal and employee representatives. The  
181 Comptroller shall establish a method for determining the number of  
182 municipal and employee representatives to be selected. The committee  
183 shall be staffed and advised by the Comptroller or the Comptroller's  
184 designee.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec.	<i>January 1, 2009</i>	New section
Sec. 3	<i>January 1, 2009</i>	New section
Sec. 4	<i>January 1, 2009</i>	New section
Sec. 5	<i>January 1, 2009</i>	New section
Sec. 6	<i>January 1, 2009</i>	New section
Sec. 7	<i>January 1, 2009</i>	New section
Sec. 8	<i>from passage</i>	New section

**Statement of Purpose:**

To reduce costs to municipalities and increase benefits for employees by opening the state employee insurance pool and allow municipal employees to join voluntarily.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*