



General Assembly

February Session, 2008

Amendment

LCO No. 5213

HB0553605213SR0

Offered by:
SEN. DEBICELLA, 21st Dist.

To: Subst. House Bill No. 5536 File No. 731 Cal. No. 480

"AN ACT ESTABLISHING THE CONNECTICUT HEALTHCARE PARTNERSHIP."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective from passage*) (a) As used in sections 1 to
4 7, inclusive, of this act:

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

9 (2) "Nonstate public employer" means a municipality or other
10 political subdivision of the state, including a board of education, quasi-
11 public agency or public library.

12 (3) "Nonstate public employee" means any employee or elected
13 officer of a nonstate public employer.

14 (4) "Nonstate public collective bargaining agreement" means the
15 collective bargaining agreement in effect between any collective
16 bargaining agent of any nonstate public employees and their
17 employer.

18 (5) "State employee plan" or "state plan" means the group
19 hospitalization, medical, pharmacy and surgical insurance plan offered
20 to state employees and retirees pursuant to section 5-259 of the general
21 statutes.

22 (6) "Health Care Costs Containment Committee" means the
23 committee established pursuant to the ratified agreement between the
24 state and state employees' Bargaining Agent Coalition pursuant to
25 subsection (f) of section 5-278 of the general statutes.

26 (b) No employee shall be enrolled in the state plan if such employee
27 is covered through such employee's employer by health insurance
28 plans or insurance arrangements issued to or in accordance with a
29 trust established pursuant to collective bargaining subject to the
30 federal Labor Management Relations Act.

31 Sec. 2. (NEW) (*Effective September 1, 2008*) (a) Notwithstanding any
32 provision of title 38a of the general statutes, the Comptroller shall offer
33 coverage under the state employee plan to nonstate public employees
34 and shall pool such employees with the state employee plan, provided
35 the Comptroller receives an application from an employer of any such
36 employees and the application is approved in accordance with sections
37 1 to 7, inclusive, of this act. Premium payments for such coverage shall
38 be remitted by the employer to the Comptroller and shall be the same
39 as those paid by the state inclusive of any premiums paid by state
40 employees, except as otherwise provided in this section or section 4 of
41 this act. The Comptroller may charge each employer participating in
42 the plan pursuant to sections 1 to 7, inclusive, of this act an
43 administrative fee calculated on a per member per month basis. The
44 Comptroller shall offer participation in such plan for no shorter than
45 three-year intervals and, at the end of any interval, an employer may

46 apply for coverage for an additional interval. The Comptroller shall
47 develop procedures by which employers receiving coverage for their
48 employees pursuant to the plan may withdraw from such coverage.
49 Any such procedures shall provide that nonstate public employees
50 covered by collective bargaining shall withdraw from such coverage in
51 accordance with chapters 68, 113 and 166 of the general statutes.
52 Nothing in sections 1 to 7, inclusive, of this act shall (1) require the
53 Comptroller to offer coverage to every employer seeking coverage
54 under sections 1 to 7, inclusive, of this act from every vendor
55 providing coverage under the state employee plan, or (2) prevent the
56 Comptroller from procuring coverage for nonstate employees from
57 vendors other than those providing coverage to state employees. The
58 Comptroller shall create applications for the purposes of this act. Such
59 applications shall require an employer to disclose whether the
60 employer will offer any other health plan to the employees who are
61 offered the state plan.

62 (b) Nonstate public employees may receive coverage under the state
63 plan in accordance with this subsection.

64 (1) A nonstate public employer may submit an application to the
65 Comptroller for coverage under the state plan of such employer's
66 employees.

67 (2) If a nonstate public employer submits an application for
68 coverage of all of its employees, the Comptroller shall provide such
69 coverage no later than the first day of the third calendar month
70 following such application. A board of education and a municipality
71 shall be considered separate employers for purposes of this act.

72 (3) If a nonstate public employer submits an application for less
73 than all of its employees, or indicates in the application the employer
74 will offer other health plans to employees who are offered the state
75 health plan, the Comptroller shall forward such application to the
76 Health Care Cost Containment Committee not later than five business
77 days after receiving such application. Said committee may, not later

78 than thirty days after receiving such application, certify to the
79 Comptroller that the application will shift a significantly
80 disproportional part of a nonstate public employer's medical risks to
81 the state employee plan. If the Comptroller receives such certification,
82 the Comptroller shall not provide coverage to such employer. If the
83 Comptroller does not receive such certification, the Comptroller shall
84 provide coverage no later than the first day of the third calendar
85 month following the deadline for receiving the certification.

86 (4) Any other provisions of the general statutes notwithstanding,
87 initial participation in the state employee plan shall be a permissive
88 subject of collective bargaining and shall be subject to binding interest
89 arbitration only if the collective bargaining agent and the employer
90 mutually agree to bargain over such initial participation. Such mutual
91 agreement shall be in writing and signed by authorized
92 representatives of the collective bargaining agent and the employer.
93 Continuation in the state employee plan, after initial participation,
94 shall be a mandatory subject of bargaining, and shall be subject to
95 binding interest arbitration in accordance with the same procedures
96 and standards that apply to any other mandatory subject of bargaining
97 pursuant to chapters 68, 113 and 166 of the general statutes.

98 (c) The Comptroller shall not forward an employer's application for
99 coverage for review by the Health Care Cost Containment Committee,
100 pursuant to this section, due to (1) the decision by individual
101 employees to decline coverage from their employer for themselves or
102 their dependents; or (2) the employer's decision to not offer coverage
103 to temporary, part-time or durational employees.

104 (d) Notwithstanding any provision of the general statutes, the state
105 employee plan shall not be deemed (1) an unauthorized insurer, or (2)
106 a multiple employer welfare arrangement. Any licensed insurer in this
107 state may conduct business with the state employee plan.

108 Sec. 3. (NEW) (*Effective September 1, 2008*) (a) Nonstate public
109 employers eligible, pursuant to sections 1 to 7, inclusive, of this act, to

110 seek coverage for their employees under the state employee plan may
111 seek such coverage for their retirees in accordance with sections 1 to 7,
112 inclusive, of this act. Premium payments for such coverage shall be
113 remitted by the employer to the Comptroller and shall be the same as
114 those paid by the state, inclusive of any premiums paid by retired state
115 employees.

116 (b) If an employer seeks coverage for all of such employer's retirees
117 in accordance with this section and all of such employer's employees in
118 accordance with section 2 of this act, the Comptroller shall provide
119 coverage no later than the first day of the third calendar month
120 following such application. If an employer seeks coverage for less than
121 all of such employer's retirees, regardless of whether the employer is
122 seeking coverage for all of such employer's active employees, the
123 Comptroller shall forward such application to the Health Care Cost
124 Containment Committee not later than five business days after
125 receiving such application. Said committee may, not later than thirty
126 days after receiving such application, certify to the Comptroller that,
127 with respect to such retirees, the application will shift a significantly
128 disproportional part of an employer's medical risks to the state
129 employee plan. If the Comptroller receives such certification, the
130 Comptroller shall not provide coverage to such employer's retirees. If
131 the Comptroller does not receive such certification, the Comptroller
132 shall provide coverage no later than the first day of the third calendar
133 month following the deadline for receiving the certification.

134 (c) Nothing in sections 1 to 8, inclusive, of this act shall diminish any
135 right to retiree health insurance pursuant to a collective bargaining
136 agreement or to any other provision of the general statutes.

137 Sec. 4. (NEW) (*Effective September 1, 2008*) (a) Each nonstate public
138 employer shall pay monthly the amount determined by the
139 Comptroller, pursuant to sections 1 to 7, inclusive, of this act, for
140 coverage of its employees or its employees and retirees, as appropriate
141 under the state employee plan. Such employer may require each
142 covered employee to contribute a portion of the cost of such

143 employee's coverage under the plan, subject to any collective
144 bargaining obligation applicable to such employer. If any payment due
145 by an employer under this subsection is not paid after the date due,
146 interest shall be added to such payment at the prevailing rate of
147 interest, as determined by the Comptroller. Such interest shall be paid
148 by the employer.

149 (b) There is established, within the General Fund, a separate,
150 nonlapsing account to be known as the state plan premium account.
151 All premiums paid by employers and employees pursuant to sections
152 1 to 7, inclusive, of this act shall be deposited into said account. The
153 account shall be administered by the Comptroller, with the advice of
154 the Health Care Costs Containment Committee, for payment of
155 insurance premiums.

156 (c) In the event a nonstate public employer fails to make premium
157 payments, the Comptroller may direct the State Treasurer, or any other
158 officer of the state that is the custodian of any moneys made available
159 by reason of any grant, allocation or appropriation by the state or
160 agencies thereof payable to a nonstate public employer at any time
161 subsequent to the failure of such nonstate public employer, to pay such
162 premiums and interest to withhold the payment of such moneys in
163 accordance with this subsection. Such moneys shall be withheld until
164 the amount of the premium or interest then due and unpaid has been
165 paid to the state, or until the Treasurer or such officers determine that
166 arrangements, satisfactory to the Treasurer, have been made for the
167 payment of such premium and interest, except that such moneys shall
168 not be withheld if such withholding will adversely affect the receipt of
169 any federal grant or aid in connection with such moneys.

170 Sec. 5. (NEW) (*Effective from passage*) The Comptroller shall not offer
171 coverage under the state employee plan pursuant to sections 1 to 7,
172 inclusive, of this act until the State Employees' Bargaining Agent
173 Coalition has provided its consent to the clerks of both houses of the
174 General Assembly to incorporate the terms of sections 1 to 7, inclusive,
175 of this act into its collective bargaining agreement.

176 Sec. 6. (NEW) (*Effective January 1, 2009*) No later than January 1,
177 2010, the Comptroller, shall report to the General Assembly, in
178 accordance with section 11-4a of the general statutes,
179 recommendations for the terms and conditions under which access to
180 the state employee plan may be provided to those not authorized
181 access pursuant to sections 1 to 8, inclusive, of this act.

182 Sec. 7. (NEW) (*Effective from passage*) There is established a Nonstate
183 Public Health Care Advisory Committee. The committee shall make
184 advisory recommendations concerning health care coverage of
185 nonstate public employees to the Health Care Costs Containment
186 Committee. The advisory committee shall consist of nonstate public
187 employers and employees participating in the state plan and shall
188 include the following members appointed by a method to be
189 determined by the Comptroller: (1) Three municipal employer
190 representatives, one of whom represents towns with populations of
191 one hundred thousand or more, one of whom represents towns with
192 populations of at least twenty thousand but under one hundred
193 thousand, and one of whom represents towns with populations under
194 twenty thousand; (2) three municipal employee representatives, one of
195 whom represents employees in towns with populations of one
196 hundred thousand or more, one of whom represents employees in
197 towns with populations of at least twenty thousand but under one
198 hundred thousand, and one of whom represents employees in towns
199 with populations under twenty thousand; (3) three board of education
200 employers, one of whom represents towns with populations of one
201 hundred thousand or more, one of whom represents towns with
202 populations of at least twenty thousand but under one hundred
203 thousand, and one of whom represents towns with populations under
204 twenty thousand; (4) three board of education employee
205 representatives, one of whom represents towns with populations of
206 one hundred thousand or more, one of whom represents towns with
207 populations of at least twenty thousand but under one hundred
208 thousand, and one of whom represents towns with populations under
209 twenty thousand; and (5) one neutral chairperson, who shall be a

210 member of the National Academy of Arbitrators or an arbitrator
211 authorized by the American Arbitration Association or the Federal
212 Mediation and Conciliation Service to serve as a neutral arbitrator in
213 labor relations cases.

214 Sec. 8. (NEW) (*Effective January 1, 2009*) Notwithstanding any
215 provision of the general statutes, two or more municipalities may form
216 a single group, by written agreement, for the purpose of procuring
217 health insurance for their employees. Such written agreement shall
218 establish the membership of such group, the duration of such health
219 insurance coverage, requirements regarding the payment of premiums
220 for such health insurance coverage, and the procedure for a
221 municipality to withdraw from such group and terminate such health
222 insurance coverage. A group established pursuant to this section shall
223 procure such health insurance coverage on a fully underwritten basis.
224 Such health insurance coverage shall meet the requirements set forth in
225 chapter 700c of the general statutes. Any group established pursuant to
226 this section shall not be deemed a fictitious group if the group is
227 procuring health insurance coverage in accordance with this section.

228 Sec. 9. Subparagraph (B) of subdivision (4) of section 38a-564 of the
229 2008 supplement to the general statutes is repealed and the following
230 is substituted in lieu thereof (*Effective January 1, 2009*):

231 (B) "Small employer" does not include (i) a municipality procuring
232 health insurance pursuant to section 5-259 of the 2008 supplement to
233 the general statutes or section 2 of this act, (ii) a private school in this
234 state procuring health insurance through a health insurance plan or an
235 insurance arrangement sponsored by an association of such private
236 schools, (iii) a nonprofit organization procuring health insurance
237 pursuant to section 5-259 of the 2008 supplement to the general
238 statutes, unless the Secretary of the Office of Policy and Management
239 and the State Comptroller make a request in writing to the Insurance
240 Commissioner that such nonprofit organization be deemed a small
241 employer for the purposes of this chapter, (iv) an association for
242 personal care assistants procuring health insurance pursuant to section

243 5-259 of the 2008 supplement to the general statutes, or (v) a
 244 community action agency procuring health insurance pursuant to
 245 section 5-259 of the 2008 supplement to the general statutes."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>September 1, 2008</i>	New section
Sec. 3	<i>September 1, 2008</i>	New section
Sec. 4	<i>September 1, 2008</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>January 1, 2009</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>January 1, 2009</i>	New section
Sec. 9	<i>January 1, 2009</i>	38a-564(4)(B)