



General Assembly

January Session, 2011

**Raised Bill No. 976**

LCO No. 3146

\* SB00976INS\_\_030211\_\_\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT ESTABLISHING THE NUTMEG HEALTH INSURANCE PLAN  
FOR UNINSURED INDIVIDUALS.**

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

1 Section 1. Subsection (i) of section 5-259 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2011*):

4 (i) The Comptroller may provide for coverage of employees of  
5 municipalities, nonprofit corporations, community action agencies,  
6 [and] small employers, [and] uninsured individuals, individuals  
7 eligible for a health coverage tax credit, retired members or members  
8 of an association for personal care assistants under the plan or plans  
9 procured under subsection (a) of this section, provided: (1)  
10 Participation by each municipality, nonprofit corporation, community  
11 action agency, small employer, uninsured individual, tax-credit  
12 eligible individual, retired member or association for personal care  
13 assistants shall be on a voluntary basis; (2) where an employee  
14 organization represents employees of a municipality, nonprofit  
15 corporation, community action agency or small employer,  
16 participation in a plan or plans to be procured under subsection (a) of

17 this section shall be by mutual agreement of the municipality,  
18 nonprofit corporation, community action agency or small employer  
19 and the employee organization only and neither party may submit the  
20 issue of participation to binding arbitration except by mutual  
21 agreement if such binding arbitration is available; (3) no group of  
22 employees shall be refused entry into the plan by reason of past or  
23 future health care costs or claim experience; (4) rates paid by the state  
24 for its employees under subsection (a) of this section are not adversely  
25 affected by this subsection; (5) administrative costs to the plan or plans  
26 provided under this subsection shall not be paid by the state; (6)  
27 participation in the plan or plans in an amount determined by the state  
28 shall be for the duration of the period of the plan or plans, or for such  
29 other period as mutually agreed by the municipality, nonprofit  
30 corporation, community action agency, small employer, uninsured  
31 individual, tax-credit eligible individual, retired member or association  
32 for personal care assistants and the Comptroller; and (7) nothing in this  
33 section or section 12-202a, 38a-551, 38a-553 or 38a-556 shall be  
34 construed as requiring a participating insurer or health care center to  
35 issue individual policies to individuals eligible for a health coverage  
36 tax credit. The coverage provided under this section may be referred to  
37 as the "Municipal Employee Health Insurance Plan". The Comptroller  
38 may arrange and procure for the employees, uninsured individuals,  
39 [and] tax-credit eligible individuals, retired members or members of an  
40 association for personal care assistants under this subsection health  
41 benefit plans that vary from the plan or plans procured under  
42 subsection (a) of this section. Notwithstanding any provision of part V  
43 of chapter 700c, the coverage provided under this subsection may be  
44 offered on either a fully underwritten or risk-pooled basis at the  
45 discretion of the Comptroller. For the purposes of this subsection, (A)  
46 "municipality" means any town, city, borough, school district, taxing  
47 district, fire district, district department of health, probate district,  
48 housing authority, regional work force development board established  
49 under section 31-3k, regional emergency telecommunications center,  
50 tourism district established under section 32-302, flood commission or  
51 authority established by special act, regional planning agency, transit

52 district formed under chapter 103a, or the Children's Center  
53 established by number 571 of the public acts of 1969; (B) "nonprofit  
54 corporation" means (i) a nonprofit corporation organized under 26  
55 USC 501 that has a contract with the state or receives a portion of its  
56 funding from a municipality, the state or the federal government, or  
57 (ii) an organization that is tax exempt pursuant to 26 USC 501(c)(5); (C)  
58 "community action agency" means a community action agency, as  
59 defined in section 17b-885; (D) "small employer" means a small  
60 employer, as defined in subparagraph (A) of subdivision (4) of section  
61 38a-564; (E) "tax-credit eligible individuals" or "individuals eligible for  
62 a health coverage tax credit" means individuals who are eligible for the  
63 credit for health insurance costs under Section 35 of the Internal  
64 Revenue Code of 1986, or any subsequent corresponding internal  
65 revenue code of the United States, as from time to time amended, in  
66 accordance with the Pension Benefit Guaranty Corporation and Trade  
67 Adjustment Assistance programs of the Trade Act of 2002 (P.L. 107-  
68 210); (F) "association for personal care assistants" means an  
69 organization composed of personal care attendants who are employed  
70 by recipients of service (i) under the home-care program for the elderly  
71 under section 17b-342, (ii) under the personal care assistance program  
72 under section 17b-605a, (iii) in an independent living center pursuant  
73 to sections 17b-613 to 17b-615, inclusive, or (iv) under the program for  
74 individuals with acquired brain injury as described in section 17b-  
75 260a; [and] (G) "retired members" means individuals eligible for a  
76 retirement benefit from the Connecticut municipal employees'  
77 retirement system; and (H) "uninsured individuals" means individuals  
78 who have no access to employer-sponsored or government-sponsored  
79 health insurance.

80 Sec. 2. Subsection (k) of section 5-259 of the general statutes is  
81 repealed and the following is substituted in lieu thereof (*Effective*  
82 *October 1, 2011*):

83 (k) The Comptroller shall submit annually to the General Assembly  
84 a review of the coverage of employees of municipalities, nonprofit

85 corporations, community action agencies, small employers [under  
86 subsection (i) of this section] and tax-credit eligible individuals under  
87 subsection (i) of this section beginning February 1, 2004, and uninsured  
88 individuals, retired members and members of an association for  
89 personal care assistants under subsection (i) of this section beginning  
90 February 1, 2012.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	5-259(i)
Sec. 2	<i>October 1, 2011</i>	5-259(k)

**INS**      *Joint Favorable*