



General Assembly

January Session, 2019

Raised Bill No. 7360

LCO No. 5933



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT CONCERNING NONSTATE PUBLIC EMPLOYER HEALTH CARE PLANS.

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

1 Section 1. Subsections (a) to (c), inclusive, of section 3-123sss of the
2 general statutes are repealed and the following is substituted in lieu
3 thereof (*Effective July 1, 2019*):

4 (a) Notwithstanding any provision of title 38a, the Comptroller shall
5 offer to nonstate public employers and their nonstate public
6 employees, and their retirees, if applicable, coverage under the state
7 employee plan or any group hospitalization, medical, pharmacy or
8 surgical insurance plan developed by the Comptroller. Such nonstate
9 public employees, or retirees, if applicable, shall be pooled with the
10 state employee plan, provided the Comptroller receives an application
11 from a nonstate public employer and the application is approved in
12 accordance with this section or section 3-123ttt. Premium payments for
13 such coverage shall be remitted by the nonstate public employer to the
14 Comptroller and shall be the same as those paid by the state inclusive
15 of any premiums paid by state employees, except (1) premium

16 payments may be adjusted to reflect the cost of health care in the
17 geographic region in which the majority of a nonstate public
18 employer's employees work, (2) premium payments may be adjusted
19 to reflect coverage, or (3) as otherwise provided in this section or
20 section 3-123uuu, as amended by this act. The Comptroller may charge
21 each nonstate public employer participating in the state employee plan
22 an administrative fee calculated on a per member, per month basis.

23 (b) (1) The Comptroller shall offer participation in such plan for not
24 less than three-year intervals. A nonstate public employer may apply
25 for renewal prior to the expiration of each interval.

26 (2) The Comptroller shall develop procedures by which nonstate
27 public employers receiving coverage for nonstate public employees
28 pursuant to the state employee plan may (A) apply for renewal, or (B)
29 withdraw from such coverage, including, but not limited to, the terms
30 and conditions under which such nonstate public employers may
31 withdraw prior to the expiration of the interval. [and the procedure by
32 which any premium payments such nonstate public employers may be
33 entitled to or premium equivalent payments made in excess of
34 incurred claims shall be refunded to such nonstate public employer.]
35 Any such procedures shall provide that nonstate public employees
36 covered by collective bargaining shall withdraw from such coverage in
37 accordance with chapters 68, 113 and 166.

38 (c) Nothing in sections 3-123rrr to 3-123vvv, inclusive, shall (1)
39 require the Comptroller to offer coverage to every nonstate public
40 employer seeking coverage under the state employee plan, [or] (2)
41 prevent the Comptroller from procuring coverage for nonstate public
42 employees from vendors other than those providing coverage to state
43 employees, or (3) prevent the Comptroller from offering plans other
44 than those available to state employees, except the Comptroller shall
45 not offer a plan that would qualify as a high deductible health plan, as
46 defined in Section 220(c) or 223(c) of the Internal Revenue Code of
47 1986, or any subsequent corresponding internal revenue code of the
48 United States, as amended from time to time, used to establish a

49 medical savings account or an Archer MSA pursuant to Section 220 of
50 said Internal Revenue Code or a health savings account pursuant to
51 Section 223 of said Internal Revenue Code.

52 Sec. 2. Section 3-123uuu of the general statutes is repealed and the
53 following is substituted in lieu thereof (*Effective July 1, 2019*):

54 (a) [There is established an account to be known as the "state
55 employee plan premium account", which shall be a separate,
56 nonlapsing account within the General Fund. All premiums paid by
57 nonstate public employers and nonstate public employees pursuant to
58 participation in the state employee plan shall be deposited into said
59 account. The account shall be administered by the Comptroller, with
60 the advice of the Health Care Cost Containment Committee, for
61 payment of claims and administrative fees to entities providing
62 coverage or services under the state employee plan.] The Comptroller
63 shall establish an accounting procedure to track claims and premiums
64 paid by nonstate public employers.

65 [(b) Each nonstate public employer shall pay monthly the amount
66 determined by the Comptroller for coverage of its nonstate public
67 employees or its nonstate public employees and retirees, as
68 appropriate, under the state employee plan. A nonstate public
69 employer may require each nonstate public employee to contribute a
70 portion of the cost of his or her coverage under the plan, subject to any
71 collective bargaining obligation applicable to such nonstate public
72 employer.]

73 [(c)] (b) If any payment due by a nonstate public employer [under
74 this subsection] pursuant to the procedure established under
75 subsection (a) of this section is not paid after the date such payment is
76 due, interest to be paid by such nonstate public employer shall be
77 added, retroactive to the date such payment was due, at the prevailing
78 rate of interest as determined by the Comptroller.

79 [(d)] (c) If a nonstate public employer fails to make premium
80 payments, the Comptroller may direct the State Treasurer, or any other

81 officer of the state who is the custodian of any moneys made available
82 by grant, allocation or appropriation payable to such nonstate public
83 employer at any time subsequent to such failure, to withhold the
84 payment of such moneys until the amount of the premium or interest
85 due has been paid to the Comptroller, or until the State Treasurer or
86 such custodial officer determines that arrangements have been made,
87 to the satisfaction of the State Treasurer, for the payment of such
88 premium and interest. Such moneys shall not be withheld if such
89 withholding will adversely affect the receipt of any federal grant or aid
90 in connection with such moneys.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	3-123sss(a) to (c)
Sec. 2	<i>July 1, 2019</i>	3-123uuu

Statement of Purpose:

To authorize the Comptroller to offer additional health insurance plans for nonstate public employers.

[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.]