



General Assembly

Substitute Bill No. 7360

January Session, 2019



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2 general statutes are repealed and the following is substituted in lieu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, or group hospitalization, medical, pharmacy or
11 surgical insurance plan provided the Comptroller receives an
12 application from a nonstate public employer and the application is
13 approved in accordance with this section or section 3-123ttt. Premium
14 payments for such coverage shall be remitted by the nonstate public
15 employer to the Comptroller and shall be the same as those paid by the
16 state inclusive of any premiums paid by state employees, except (1)
17 premium payments may be adjusted to reflect the cost of health care in
18 the geographic region in which the majority of a nonstate public
19 employer's employees work, (2) premium payments may be adjusted
20 to reflect coverage, or (3) as otherwise provided in this section or

21 section 3-123uuu, as amended by this act. The Comptroller may charge
22 each nonstate public employer participating in the state employee plan
23 an administrative fee calculated on a per member, per month basis.

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

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

40 (c) Nothing in sections 3-123rrr to 3-123vvv, inclusive, shall (1)
41 require the Comptroller to offer coverage to every nonstate public
42 employer seeking coverage under the state employee plan, [or] (2)
43 prevent the Comptroller from procuring coverage for nonstate public
44 employees from vendors other than those providing coverage to state
45 employees, or (3) prevent the Comptroller from offering plans other
46 than those available to state employees, except the Comptroller shall
47 not offer a plan that would qualify as a high deductible health plan, as
48 defined in Section 220(c) or 223(c) of the Internal Revenue Code of
49 1986, or any subsequent corresponding internal revenue code of the
50 United States, as amended from time to time, used to establish a
51 medical savings account or an Archer MSA pursuant to Section 220 of
52 said Internal Revenue Code or a health savings account pursuant to
53 Section 223 of said Internal Revenue Code.

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

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

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

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

81 [(d)] (c) If a nonstate public employer fails to make premium
82 payments, the Comptroller may direct the State Treasurer, or any other
83 officer of the state who is the custodian of any moneys made available
84 by grant, allocation or appropriation payable to such nonstate public
85 employer at any time subsequent to such failure, to withhold the

86 payment of such moneys until the amount of the premium or interest
87 due has been paid to the Comptroller, or until the State Treasurer or
88 such custodial officer determines that arrangements have been made,
89 to the satisfaction of the State Treasurer, for the payment of such
90 premium and interest. Such moneys shall not be withheld if such
91 withholding will adversely affect the receipt of any federal grant or aid
92 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 Legislative Commissioners:

In Section 1 (a) and (b), conforming changes were made for consistency with the provisions of subsection (a).

PD *Joint Favorable Subst. -LCO*