

# SENATE BILL No. 1199

November 8, 2018, Introduced by Senator STAMAS and referred to the Committee on Michigan Competitiveness.

A bill to amend 2011 PA 152, entitled  
"Publicly funded health insurance contribution act,"  
by amending section 3 (MCL 15.563), as amended by 2013 PA 270.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 3. (1) Except as otherwise provided in this act, a public  
2 employer that offers or contributes to a medical benefit plan for  
3 its employees or elected public officials shall pay no more of the  
4 annual costs or illustrative rate and any payments for  
5 reimbursement of co-pays, deductibles, or payments into health  
6 savings accounts, flexible spending accounts, or similar accounts  
7 used for health care costs, than a total amount equal to \$5,500.00  
8 times the number of employees and elected public officials with  
9 single-person coverage, \$11,000.00 times the number of employees  
10 and elected public officials with individual-and-spouse coverage or

1 individual-plus-1-nonspouse-dependent coverage, plus \$15,000.00  
2 times the number of employees and elected public officials with  
3 family coverage, for a medical benefit plan coverage year beginning  
4 on or after January 1, 2012. A public employer may allocate its  
5 payments for medical benefit plan costs among its employees and  
6 elected public officials as it sees fit. By October 1 of each year  
7 after 2011 **AND BEFORE 2019**, the state treasurer shall adjust the  
8 maximum payment permitted under this subsection for each coverage  
9 category for medical benefit plan coverage years beginning the  
10 succeeding calendar year, based on the change in the medical care  
11 component of the United States ~~consumer price index~~ **CONSUMER PRICE**  
12 **INDEX** for the most recent 12-month period for which data are  
13 available from the United States ~~department of labor, bureau of~~  
14 ~~labor statistics~~ **DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS.**  
15 **BY APRIL 1 OF EACH YEAR AFTER 2018, THE STATE TREASURER SHALL**  
16 **ADJUST THE MAXIMUM PAYMENT PERMITTED UNDER THIS SUBSECTION FOR EACH**  
17 **COVERAGE CATEGORY FOR MEDICAL BENEFIT PLAN COVERAGE YEARS BEGINNING**  
18 **THE SUCCEEDING CALENDAR YEAR, BASED ON THE CHANGE IN THE MEDICAL**  
19 **CARE COMPONENT OF THE UNITED STATES CONSUMER PRICE INDEX FOR THE**  
20 **MOST RECENT 12-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE FROM THE**  
21 **UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS.**

22 (2) For a medical benefit plan coverage year beginning January  
23 1, 2014 through December 31, 2014, the multiplier used to calculate  
24 the maximum public employer payment under subsection (1) ~~shall be~~  
25 **IS \$12,250.00** for employees and elected public officials with  
26 individual-and-spouse coverage or individual-plus-1-nonspouse-  
27 dependent coverage. ~~and shall be adjusted~~ **THE STATE TREASURER SHALL**

1 **ADJUST THE MULTIPLIER** each year as provided in subsection (1).

2 (3) For purposes of calculating a public employer's maximum  
3 total annual medical benefit plan costs under subsection (1),  
4 "employee or elected public official" does not include an employee  
5 or elected public official who declines the medical benefit plan  
6 offered or contributed to by the public employer.