

SENATE BILL No. 773

January 25, 2018, Introduced by Senators WARREN, GREGORY, BIEDA, HOOD, YOUNG, HOPGOOD, ANANICH, CONYERS, HERTEL, KNEZEK and JOHNSON and referred to the Committee on Education.

A bill to amend 2011 PA 152, entitled "Publicly funded health insurance contribution act," by amending section 4 (MCL 15.564), as amended by 2013 PA 271.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) ~~By~~**EXCEPT AS PROVIDED IN SUBSECTION (3), BY** a
2 majority vote of its governing body each year, prior to the
3 beginning of the medical benefit plan coverage year, a public
4 employer, excluding this state, may elect to comply with this
5 section for a medical benefit plan coverage year instead of the
6 requirements in section 3. The designated state official may elect
7 to comply with this section instead of section 3 as to medical
8 benefit plans for state employees and state officers.

9 (2) For medical benefit plan coverage years beginning on or
10 after January 1, 2012, a public employer shall pay not more than

1 80% of the total annual costs of all of the medical benefit plans
2 it offers or contributes to for its employees and elected public
3 officials. For purposes of this subsection, total annual costs
4 includes the premium or illustrative rate of the medical benefit
5 plan and all employer payments for reimbursement of co-pays,
6 deductibles, and payments into health savings accounts, flexible
7 spending accounts, or similar accounts used for health care but
8 does not include beneficiary-paid copayments, coinsurance,
9 deductibles, other out-of-pocket expenses, other service-related
10 fees that are assessed to the coverage beneficiary, or beneficiary
11 payments into health savings accounts, flexible spending accounts,
12 or similar accounts used for health care. For purposes of this
13 section, each elected public official who participates in a medical
14 benefit plan offered by a public employer shall be required to pay
15 20% or more of the total annual costs of that plan. The public
16 employer may allocate the employees' share of total annual costs of
17 the medical benefit plans among the employees of the public
18 employer as it sees fit.

19 (3) FOR MEDICAL BENEFIT PLAN COVERAGE YEARS BEGINNING ON OR
20 AFTER JANUARY 1, 2019, A PUBLIC EMPLOYER THAT IS A SCHOOL DISTRICT,
21 PUBLIC SCHOOL ACADEMY, OR INTERMEDIATE SCHOOL DISTRICT SHALL COMPLY
22 WITH SUBSECTION (2) FOR THE MEDICAL BENEFIT PLANS IT OFFERS OR
23 CONTRIBUTES TO FOR ITS EMPLOYEES AND ELECTED PUBLIC OFFICIALS. AS
24 USED IN THIS SUBSECTION:

25 (A) "INTERMEDIATE SCHOOL DISTRICT" MEANS THAT TERM AS DEFINED
26 IN SECTION 4 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.4.

27 (B) "PUBLIC SCHOOL ACADEMY" MEANS THAT TERM AS DEFINED IN

1 SECTION 5 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.5.

2 (C) "SCHOOL DISTRICT" MEANS THAT TERM AS DEFINED IN SECTION 6
3 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL 380.6.

4 Enacting section 1. This amendatory act takes effect 90 days
5 after the date it is enacted into law.