

# HOUSE BILL NO. 4618

May 23, 2023, Introduced by Reps. Coffia, Hill, Miller, Wilson, Brabec, Hood, Fitzgerald, Grant, Glanville and Tsernoglou and referred to the Committee on Economic Development and Small Business.

A bill to amend 2011 PA 152, entitled  
"Publicly funded health insurance contribution act,"  
by amending section 2 (MCL 15.562), as amended by 2013 PA 269.

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

- 1       Sec. 2. As used in this act:
- 2       (a) "Designated state official" means:
- 3       (i) For an election affecting employees and officers in the
- 4       judicial branch of state government, the state court administrator.

1           (ii) For an election affecting senate employees and officers,  
2 the secretary of the senate.

3           (iii) For an election affecting house of representatives  
4 employees and officers, the clerk of the house.

5           (iv) For an election affecting legislative council employees,  
6 the legislative council.

7           (v) For an election affecting employees in the state  
8 classified service, the civil service commission.

9           (vi) For an election affecting executive branch employees who  
10 are not in the state classified service, the state employer.

11           (b) "Flexible spending account" means a medical expense  
12 flexible spending account in conjunction with a cafeteria plan as  
13 permitted under the ~~federal~~ internal revenue code of 1986, **26 USC 1**  
14 **to 9834.**

15           (c) "Health savings account" means an account as permitted  
16 under section 223 of the internal revenue code of 1986, 26 USC 223.

17           (d) "Local unit of government" means ~~a~~ **any of the following:**

18           (i) **A** city, village, township, or county. ~~—a~~

19           (ii) **A** municipal electric utility system as **that term is**  
20 defined in section 4 of the Michigan energy employment act of 1976,  
21 1976 PA 448, MCL 460.804. ~~—an~~

22           (iii) **An** authority created under chapter VIA of the aeronautics  
23 code of the state of Michigan, 1945 PA 327, MCL 259.108 to  
24 259.125c. ~~—or an~~

25           (iv) **An** authority created under chapter VIIA of the aeronautics  
26 code of the state of Michigan, 1945 PA 327, MCL 259.137 to 259.149.

27           (v) **An** authority created under 1939 PA 147, MCL 119.51 to  
28 119.62.

29           (e) "Medical benefit plan" means a plan established and

1 maintained by a carrier, a voluntary employees' beneficiary  
 2 association described in section 501(c)(9) of the internal revenue  
 3 code of 1986, 26 USC 501, or by 1 or more public employers, that  
 4 provides for the payment of medical benefits, including, but not  
 5 limited to, hospital and physician services, prescription drugs,  
 6 and related benefits, for public employees or elected public  
 7 officials. Medical benefit plan does not include benefits provided  
 8 to individuals retired from a public employer or a public  
 9 employer's contributions to a fund used for the sole purpose of  
 10 funding health care benefits that are available to a public  
 11 employee or an elected public official only ~~upon~~**on** retirement or  
 12 separation from service.

13 (f) "Medical benefit plan costs" does not include a payment by  
 14 the public employer to an employee or elected public official ~~in~~  
 15 ~~lieu~~**instead** of medical benefit plan coverage and, for a medical  
 16 benefit plan coverage year beginning after ~~the later of~~ January 1,  
 17 2014, ~~or the effective date of the amendatory act that added this~~  
 18 ~~subdivision,~~ includes, but is not limited to, all of the following:

19 (i) Any amount that the public employer pays directly or  
 20 indirectly for the assessment levied ~~pursuant to the health~~  
 21 ~~insurance claims assessment act,~~ **under former** 2011 PA 142, MCL  
 22 ~~550.1731 to 550.1741.~~ **or the assessment levied pursuant to the**  
 23 **insurance provider assessment act, 2018 PA 175, MCL 550.1751 to**  
 24 **550.1767.**

25 (ii) Insurance agent or company commissions.

26 (iii) Any additional amount the public employer is required to  
 27 pay as a fee or tax under the patient protection and affordable  
 28 care act, Public Law 111-148, as amended by the federal health care  
 29 and education reconciliation act of 2010, Public Law 111-152.

1 (g) "Medical benefit plan coverage year" means the 12-month  
2 period after the effective date of the contractual or self-insured  
3 medical coverage plan that a public employer provides to its  
4 employees or public officials.

5 (h) "Public employer" means ~~this~~ **any of the following:**

6 **(i) This** state. ~~;-a~~

7 **(ii) A** local unit of government or other political subdivision  
8 of this state. ~~;-any~~

9 **(iii) Any** intergovernmental, metropolitan, or local department,  
10 agency, or authority, or other local political subdivision. ~~;-a~~

11 **(iv) A** school district, a public school academy, or an  
12 intermediate school district, as those terms are defined in  
13 sections 4 to 6 of the revised school code, 1976 PA 451, MCL 380.4  
14 to 380.6. ~~;-a~~

15 **(v) A** community college or junior college described in section  
16 7 of article VIII of the state constitution of 1963. ~~;-or-an~~

17 **(vi) An** institution of higher education described in section 4  
18 of article VIII of the state constitution of 1963.