

**HIGH DEDUCTIBLE HEALTH PLAN OPTION
FOR PUBLIC EMPLOYEES**

2006 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Bradley M. Daw

Senate Sponsor: Scott K. Jenkins

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LONG TITLE

General Description:

This bill modifies the Public Employees' Benefit and Insurance Program Act by amending provisions of the health plans offered by the program.

Highlighted Provisions:

This bill:

► requires the Public Employees' Benefit and Insurance Program (PEHP) to offer a high deductible health plan with a federally qualified health savings account;

► prohibits the program from allowing an employee to change from the high deductible health plan to another health plan more frequently than every three years;

and

► requires the high deductible health plan to include a health savings account for each covered individual with certain contributions made by the employer and optional contributions made by the employee.

33 **Monies Appropriated in this Bill:**

34 None

35 **Other Special Clauses:**

36 None

37 **Utah Code Sections Affected:**

38 ENACTS:

39 **49-20-410**, Utah Code Annotated 1953



41 *Be it enacted by the Legislature of the state of Utah:*

42 Section 1. Section **49-20-410** is enacted to read:

43 **49-20-410. High deductible health plan -- Health savings account -- Contributions.**

44 (1) (a) In addition to other employee benefit plans offered under this part, the program
45 shall offer a high deductible health plan with a federally qualified health savings account as an
46 optional health plan.

47 (b) The provisions and limitations of the plan shall be determined by the program in
48 accordance with federal requirements and limitations.

49 (2) (a) The program may not allow an employee to change from the high deductible
50 health plan to another health plan offered for employees more frequently than every three years.

51 (b) The program shall offer the federally qualified health savings account for medical
52 expenses for each covered individual in the high deductible health plan.

53 (3) (a) Contributions to the health savings account may be made by the employer.

54 (b) The amount of the contributions under Subsection (3)(a) shall be determined
55 annually by the program, after consultation with the Department of Human Resource
56 Management and the Governor's Office of Planning and Budget, based on:

57 (i) federal requirements and limitations; and

58 (ii) the actuarial value of the risk-adjusted high deductible to the program.

59 (c) An employee may also make contributions to the health savings plan.