

LEGISLATOR - BENEFIT PLAN

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Eric K. Hutchings

Senate Sponsor: _____

LONG TITLE

General Description:

This bill requires the Legislature to participate in the large group demonstration project in the defined contribution arrangement market offered through the Health Insurance Exchange.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires the Legislature to participate in the large group demonstration project in the defined contribution arrangement market on the Health Insurance Exchange;
- ▶ provides that the Legislature shall determine the contribution towards the health benefit plan;
- ▶ permits the Public Employees' Benefit and Insurance Program to offer defined contribution health benefit plans on the Health Insurance Exchange to the Legislature;
- ▶ allows, but does not require, an individual legislator to select a health benefit plan offered by the Utah Public Employees Health Insurance Program on the Health Insurance Exchange; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None



28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **49-20-201**, as last amended by Laws of Utah 2007, Chapter 130

33 ENACTS:

34 **36-2-6**, Utah Code Annotated 1953



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

37 Section 1. Section **36-2-6** is enacted to read:

38 **36-2-6. Definitions -- Benefit plans for legislators.**

39 (1) As used in this section:

40 (a) "Benefit plan" means a group health benefit plan as defined in Section 31A-1-301,
41 that is offered on the Health Insurance Exchange as a defined contribution health benefit plan
42 in accordance with Title 31A, Chapter 30, Part 2, Defined Contribution Arrangements.

43 (b) "Covered individual" means a legislator and the legislator's dependents who are
44 eligible for coverage under a benefit plan offered under this section.

45 (2) The House of Representatives, Senate, or Legislature shall determine annually, or
46 as needed, appropriate funding levels for the legislative benefit plans.

47 (3) For any benefit plan entered into or renewed on or after January 1, 2011, the House
48 of Representatives, Senate, or Legislature shall:

49 (a) participate in the large group demonstration project established in Section
50 31A-30-203; and

51 (b) provide a covered individual with a choice of a benefit plan on the Health Insurance
52 Exchange created by Section 63M-1-2504.

53 Section 2. Section **49-20-201** is amended to read:

54 **49-20-201. Program participation -- Eligibility -- Optional for certain groups.**

55 (1) (a) ~~[The]~~ Except as provided under Subsection (5), the state shall participate in the
56 program on behalf of its employees.

57 (b) Other employers, including political subdivisions and educational institutions, are
58 eligible, but are not required, to participate in the program on behalf of their employees.

59 (2) (a) The Department of Health may participate in the program for the purpose of
60 providing health and dental benefits to children enrolled in the Utah Children's Health
61 Insurance Program created in Title 26, Chapter 40, Utah Children's Health Insurance Act, if the
62 provisions in Subsection 26-40-110(4) occur.

63 (b) If the Department of Health participates in the program under the provisions of this
64 Subsection (2), all insurance risk associated with the Children's Health Insurance Program shall
65 be the responsibility of the Department of Health and not the program or the office.

66 (3) A covered individual shall be eligible for coverage after termination of employment
67 under rules adopted by the board.

68 (4) Only the following are eligible for Medicare supplement coverage under this
69 chapter upon becoming eligible for Medicare Part A and Part B coverage:

70 (a) retirees;

71 (b) members;

72 (c) participants;

73 (d) employees who have medical employee benefit plan coverage at the time of their
74 retirement; and

75 (e) current spouses of those who are eligible under Subsections (4)(a) through (d).

76 (5) (a) The following state entities are not required, but may participate in the program:

77 (i) the Utah State Senate, for its members, as described in Section 36-2-6; and

78 (ii) the Utah House of Representatives, for its members, as described in Section 36-2-6.

79 (b) The program:

80 (i) may offer its health benefit plans to the entities listed in Subsection (5)(a) as a
81 defined contribution arrangement health benefit plan in accordance with Title 31A, Chapter 30,
82 Part 2, Defined Contribution Arrangements, on the Health Insurance Exchange created in
83 Section 63M-1-2504; and

84 (ii) shall participate in the risk adjuster mechanism in Title 31A, Chapter 42, Defined
85 Contribution Risk Adjuster Act, for any plans offered in the defined contribution arrangement
86 market.

Legislative Review Note
as of 2-17-10 2:14 PM

Office of Legislative Research and General Counsel

H.B. 142 - Legislator - Benefit Plan

Fiscal Note

2010 General Session
State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
