

Representative Bradley M. Daw proposes the following substitute bill:

HEALTH REFORM - COST CONTAINMENT

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Bradley M. Daw

Senate Sponsor: Daniel R. Liljenquist

LONG TITLE

General Description:

This bill amends the Utah State Retirement and Insurance Benefit Act.

Highlighted Provisions:

This bill:

- ▶ requires a consumer directed health plan offered by the Utah State Retirement and Insurance Benefit Act to promote appropriate utilization of health care, including preventive health care services;

- ▶ requires the office to prepare online training for employees regarding high deductible health plans and health savings accounts;

- ▶ requires state employers to require state employees to attend training regarding health benefit plans offered to employees, including high deductible health plans;

- ▶ provides flexibility for the state, within federal requirements, to determine the appropriate actuarial value of the consumer directed health plans; and

- ▶ requires a state employee hired after July 1, 2011 to be enrolled in a high deductible health plan unless the employee chooses to enroll in a different health benefit plan.

Money Appropriated in this Bill:

None

Other Special Clauses:



26 None

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **49-20-410**, as last amended by Laws of Utah 2007, Chapter 130

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

32 Section 1. Section **49-20-410** is amended to read:

33 **49-20-410. High deductible health plan -- Health savings account --**

34 **Contributions.**

35 (1) (a) In addition to other employee benefit plans offered under ~~[this part]~~ Subsection
36 49-20-201(1), the office shall offer ~~[a]~~ at least one federally qualified high deductible health
37 plan with a ~~[federally qualified]~~ health savings account as an optional health plan.

38 (b) The provisions and limitations of the plan shall be:

39 (i) determined by the office in accordance with federal requirements and limitations[-];

40 and

41 (ii) designed to promote appropriate health care utilization by consumers, including
42 preventive health care services.

43 (c) A state employee hired on or after July 1, 2011, who is offered a plan under
44 Subsection 49-20-202(1)(a), shall be enrolled in a federally qualified high deductible health
45 plan unless the employee chooses a different health benefit plan during the employee's open
46 enrollment period.

47 (2) ~~[(a)]~~ The office shall:

48 (a) administer the high deductible health plan in coordination with ~~[the]~~ a health
49 savings account ~~[so that the impact on the covered employer's overall health plan is actuarially~~
50 neutral. ~~(b) The office shall offer the federally qualified health savings account]~~ for medical
51 expenses for each covered individual in the high deductible health plan[-]; and

52 (b) offer to all employees training regarding health plans offered to employees,
53 including, if offered, high deductible health plans and health savings accounts; and

54 (c) prepare online training as an option for the training required by Subsections (2)(b)
55 and (4).

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

57 (b) The amount of the contributions under Subsection (3)(a) shall be determined
58 annually by the office, after consultation with the [~~covered employer, or on behalf of the state~~
59 ~~as an employer, the~~] Department of Human Resource Management and the Governor's Office
60 of Planning and Budget[~~, based on:~~].

61 [~~(i) federal requirements and limitations; and~~]

62 [~~(ii) the actuarial value of the risk-adjusted high deductible to the office.]~~

63 (c) An employee may also make contributions to the health savings account.

64 (4) (a) An employer participating in a plan offered under Subsection 49-20-202(1)(a)
65 shall require each employee to complete training on the health plan options available to the
66 employee.

67 (b) The training required by Subsection (4)(a):

68 (i) may be completed online; and

69 (ii) shall be completed:

70 (A) before June 30, 2011 for current enrollees in the program; and

71 (B) for employees hired on or after July 1, 2011, prior to the employee's selection of a
72 plan in the program.

FISCAL NOTE

H.B. 18 2nd Sub. (Gray)

SHORT TITLE: **Health Reform - Cost Containment**

SPONSOR: **Daw, B.**

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

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

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.