

Representative David Clark proposes the following substitute bill:

PEHP RISK POOL AMENDMENTS

2006 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Clark

Senate Sponsor: John W. Hickman

LONG TITLE

General Description:

This bill modifies the Public Employees' Benefit and Insurance Program Act by amending provisions related to participation in certain risk pools.

Highlighted Provisions:

This bill:

► requires the Public Employees' Benefit and Insurance Program (PEHP) to allow certain institutions of higher education and independent entities in the state employee's risk pool.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

49-20-202, as renumbered and amended by Chapter 250, Laws of Utah 2002

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

Section 1. Section **49-20-202** is amended to read:



26 **49-20-202. Establishment of separate risk pools.**
27 (1) The program shall establish separate risk pools for:
28 (a) state employees; and
29 (b) the Utah Children's Health Insurance Program.
30 (2) In accordance with participation standards established by the program, the
31 following entities may elect to participate in the risk pool established under Subsection (1)(a):
32 (a) an institution of higher education designated under Section 53B-1-102 with a total
33 full-time equivalent enrollment of less than 15,000; and
34 (b) an independent entity as defined in Section 63E-1-102.
35 ~~[(2)]~~ (3) The program shall create risk pools for other covered employers separate from
36 those created in Subsection (1) as determined by the program.

State Impact

This bill is expected to be cost-neutral to the State. Groups who elect to join the State risk pool may experience some savings in cost for health insurance coverage; these savings will vary based on difference in health plan design, geographic ability to utilize PEHP's lower-cost networks, and demographic differences between the current group pool and the State pool.

Individual and Business Impact

No fiscal impact.