

**PUBLIC EMPLOYEES' BENEFIT AND  
INSURANCE PROGRAM AMENDMENTS**

2009 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brad L. Dee**

Senate Sponsor: Daniel R. Liljenquist

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**LONG TITLE**

**General Description:**

This bill modifies the Public Employees' Benefit and Insurance Program Act by allowing the state to participate in the Public Employees' Health Program only after a competitive bidding or similar process.

**Highlighted Provisions:**

This bill:

- ▶ repeals a requirement that the state participate in the Public Employees' Health Program and instead allows the state to participate if beginning July 1, 2009 an award is made to the program under competitive bidding every two years; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

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

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



28 Section 1. Section **49-20-201** is amended to read:

29 **49-20-201. Program participation -- Eligibility -- Optional for certain groups.**

30 (1) (a) (i) The state ~~shall~~ may participate in the program on behalf of its employees if  
31 beginning July 1, 2009 the participation is preceded by an award or contract made to the  
32 program under a competitive bidding process in accordance Title 63G, Chapter 6, Utah  
33 Procurement Code.

34 (ii) An award or contract made under Subsection (1)(a)(i) shall provide that the  
35 competitive bidding process occur every two years.

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

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

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

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

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

49 (a) retirees;

50 (b) members;

51 (c) participants;

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

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

**Legislative Review Note**  
as of 3-9-09 9:10 AM

**Office of Legislative Research and General Counsel**