

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: _____

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 state employees to attend a benefit fair or complete online training regarding 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 an 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:

None

Utah Code Sections Affected:



26 AMENDS:

27 **49-20-410**, as last amended by Laws of Utah 2007, Chapter 130



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

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

31 **49-20-410. High deductible health plan -- Health savings account --**

32 **Contributions.**

33 (1) (a) In addition to other employee benefit plans offered under ~~[this part]~~ Subsection
34 49-20-202(1)(a), the office shall offer ~~[a]~~ at least one federally qualified high deductible health
35 plan with a ~~[federally qualified]~~ health savings account as an optional health plan.

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

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

38 and

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

41 (c) An employee hired on or after July 1, 2011 shall be enrolled in a federally qualified
42 high deductible health plan unless the employee chooses a different health benefit plan during
43 the employee's open enrollment period.

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

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

49 (b) require all employees to attend a benefit fair or complete on-line training regarding
50 high deductible health plans and health savings accounts.

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

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

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

- 57 [~~(ii) the actuarial value of the risk-adjusted high deductible to the office.]~~
- 58 (c) An employee may also make contributions to the health savings account.
- 59 (4) The office may offer high deductible health plans which may be combined with
- 60 savings accounts or other financing arrangements to other covered employees.

FISCAL NOTE

H.B. 18 1st Sub. (Buff)

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.