

HB0024S02 compared with HB0024S01

~~{deleted text}~~ shows text that was in HB0024S01 but was deleted in HB0024S02.

inserted text shows text that was not in HB0024S01 but was inserted into HB0024S02.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will not be completely accurate. Therefore, you need to read the actual bill. This automatically generated document could experience abnormalities caused by: limitations of the compare program; bad input data; the timing of the compare; and other potential causes.

Representative **Jim Bird** proposes the following substitute bill:

HEALTH INSURANCE FOR SCHOOLS

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jim Bird

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the duties of local school boards in the State System of Public Education Code ~~{and the duties of institutions of higher education in the State System of Higher Education Code}~~.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires local school boards and charter schools to seek competitive bids on the health insurance benefits it offers school district employees beginning in the 2012-13 school year and every ~~{three}~~five years thereafter;

~~→ requires institutions of higher education to seek competitive bids on health insurance benefits it offers its employees beginning in the 2012-13 school year and~~

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~~every three years thereafter;}~~ and

- ▶ establishes criteria for the competitive bids for health care benefits.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

53A-3-430, Utah Code Annotated 1953

~~{~~ ~~**53B-1-101.7**~~, Utah Code Annotated 1953

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

Section 1. Section **53A-3-430** is enacted to read:

53A-3-430. Health care benefits for school district employees -- Competitive bids.

(1) For purposes of this section:

(a) "Health care benefit":

(i) is as defined in Section 31A-1-301; and

(ii) includes:

(A) dental and vision benefits; and

(B) a plan offered to a local school district under Title 49, Chapter 20, Public

Employees' Benefit and Insurance Program Act.

(b) "Insurer" includes:

(i) an insurer regulated under Title 31A, Insurance Code;

(ii) a plan offered under Title 49, Chapter 20, Public Employees' Benefit and Insurance

Program Act; and

(iii) a third party administrator as defined in Section 31A-1-301.

(c) "Local school board" includes a charter school governing board.

(2) (a) A local school board may provide health care benefits to ~~its~~ the school district's employees.

(b) A local school board may contract and cooperate with other local school boards to provide health care benefits to ~~its~~ the school district's employees.

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(3) (a) Except as provided in Subsection (3)(c), a local school board that provides health care benefits to ~~fits~~the school district's employees, or a group of local school boards joining together to provide health care benefits to ~~fits~~their school districts' employees shall, in accordance with Subsection (4), issue a request for proposal and seek competitive bids for the health care benefits offered to employees in the 2012-2013 school year.

(b) A local school board, or a group of local school boards joining together, that awards a contract for health care benefits for ~~fits~~the school district's employees after issuing a request for proposal under Subsection (3)(a) shall, every ~~three~~five years thereafter, seek competitive bids for the contract for health care benefits in accordance with Subsection (4).

(c) If a local school board, or a group of local school boards joining together, issued a request for proposal for health care benefits for ~~fits~~school district employees for the 2011-12 school year, the local school board or a group of local school boards joining together, is not required to issue a request for proposal under Subsection (3)(a) until the ~~2013-14~~2016-17 school year. The local school ~~district~~board, or a group of local school boards joining together, may, at its discretion, issue a request for proposal under Subsection (3)(a) sooner than the ~~2013-14~~2016-17 school year.

(4) A request for proposals under Subsection (3) shall ~~for~~:

~~— (a) solicit bids from at least two different insurers; and~~

~~— (b) retain the services of at least two producers who:~~

~~— (i) are each licensed under Title 31A, Chapter 23a, Insurance Marketing - Licensing Producers, Consultants, and Reinsurance Intermediaries;~~

~~— (ii) are not affiliated with the same agency license issued under Title 31A, Chapter 23a, Insurance Marketing - Licensing Producers, Consultants, and Reinsurance Intermediaries; and~~

~~— (iii) do not collect a fee from} provide that the school board ~~for~~and school district will not pay fees to the ~~preparation of the bid~~producer unless the school board ~~selects the health insurance plan submitted by the producer.~~~~

~~— Section 2. Section ~~53B-1-101.7~~ is enacted to read:~~

~~— **53B-1-101.7. Health care benefits for employees of institutions of higher education -- Competitive bids.**~~

~~— (1) For purposes of this section:~~

~~— (a) "Health care benefit":~~

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- ~~—— (i) is as defined in Section 31A-1-301; and~~
- ~~—— (ii) includes:~~
 - ~~—— (A) dental and vision benefits; and~~
 - ~~—— (B) a plan offered to a local school district under Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act.~~
- ~~—— (b) "Insurer" includes:~~
 - ~~—— (i) an insurer regulated under Title 31A, Insurance Code;~~
 - ~~—— (ii) a plan offered under Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act; and~~
 - ~~—— (iii) a third party administrator as defined in Section 31A-1-301.~~
- ~~—— (2) (a) An institution of higher education under Section 53B-1-101 may provide health care benefits to its employees:~~
 - ~~—— (b) An institution of higher education may contract and cooperate with other institutions of higher education to provide health care benefits to its employees.~~
- ~~—— (3) (a) Except as provided in Subsection (3)(c) an institution of higher education that provides health care benefits to its employees}, or a group of {institutions of higher education}local school boards joining together{ to provide health care benefits to its employees shall},{ in accordance with Subsection (4), issue a request for proposal and seek competitive bids for the health care benefits offered to employees in the 2012-2013 school year.~~
 - ~~—— (b) An institution of higher education that awards a contract for health care benefits for its employees after issuing a request for proposal under Subsection (3)(a) shall, every three years thereafter, seek competitive bids for the contract for health care benefits in accordance with Subsection (4).~~
 - ~~—— (c) If an institution of higher education issued a request for proposal for health care benefits for its employees for the 2011-12 school year, the institution of higher education is not required to issue a request for proposal under Subsection (3)(a) until the 2013-14 school year. The institution of higher education may, at its discretion, issue a request for proposal under Subsection (3)(a) sooner than the 2013-14 school year.~~
- ~~—— (4) A request for proposals under Subsection (3) shall:~~
 - ~~—— (a) solicit bids from at least two different insurers; and~~
 - ~~—— (b) retain the services of at least two producers who:~~

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~~—— (i) are each licensed under Title 31A, Chapter 23a, Insurance Marketing - Licensing Producers, Consultants, and Reinsurance Intermediaries;~~

~~—— (ii) are not affiliated with the same agency license issued under Title 31A, Chapter 23a, Insurance Marketing - Licensing Producers, Consultants, and Reinsurance Intermediaries; and~~

~~—— (iii) do not collect a fee from the institution of higher education for the preparation of the bid unless the institution of higher education} selects the health insurance plan submitted by the producer.~~