

PUBLIC EMPLOYEE HEALTH CARE AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Angela Romero

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Public Employees' Benefit and Insurance Program Act by amending provisions for covered individuals.

Highlighted Provisions:

This bill:

- ▶ defines "dependent" for purposes of coverage under the Public Employees' Benefit and Insurance Program (PEHP) to include one unmarried adult designee of an unmarried employee;
- ▶ defines "directly dependent upon" or "interdependent with" for purposes of an unmarried employee's adult designee; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2014.

Utah Code Sections Affected:

AMENDS:

49-20-102, as renumbered and amended by Laws of Utah 2002, Chapter 250

ENACTS:

49-20-102.5, Utah Code Annotated 1953



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

30 Section 1. Section **49-20-102** is amended to read:

31 **49-20-102. Definitions.**

32 As used in this chapter:

33 (1) "Covered employer" means an employer that offers employee benefit plans under
34 this chapter to its employees and their dependents.

35 (2) "Covered individual" means an employee and the employee's dependents eligible
36 for coverage under this chapter.

37 (3) "Dependent":

38 (a) shall be defined by rule adopted by the board in accordance with this Subsection (3)
39 and Subsection (4); and

40 (b) subject to Section 49-20-102.5, may include one unmarried adult designee of an
41 unmarried employee if the designee:

42 (i) is at least 18 years of age;

43 (ii) is directly dependent upon, or interdependent with, the unmarried employee;

44 (iii) has resided in the same domicile as the unmarried employee for at least the last 12
45 months; and

46 (iv) is residing in and intends to continue to reside in the same domicile as the
47 unmarried employee.

48 (4) "Directly dependent upon" or "interdependent with" means an unmarried employee
49 and one adult designee who:

50 (a) is eligible and claims the adult designee as a dependent on any form issued by the
51 Internal Revenue Service of the United States Department of the Treasury; or

52 (b) shares common financial obligations as documented through any three of the
53 following four documents:

54 (i) a joint loan obligation, mortgage, lease, or joint ownership of:

55 (A) a vehicle;

56 (B) real estate; or

57 (C) a residence;

58 (ii) any of the following documents in which the adult designee is named a beneficiary,

59 executor, or successor trustee:

60 (A) a life insurance policy;

61 (B) a retirement benefit account;

62 (C) a will; or

63 (D) a trust;

64 (iii) a power of attorney or guardianship for the purpose of health care decisions, or

65 financial management:

66 (A) granted mutually between the employee and the adult designee; or

67 (B) granted to the employee by the adult designee; or

68 (iv) a joint bank account or credit account, which could include proof that the adult
69 designee or the unmarried employee is authorized to sign for purposes of the other's bank or
70 credit account.

71 [~~(3)~~] (5) "Employee Benefit Plans" means any group health, dental, medical, disability,
72 life insurance, medicare supplement, conversion coverage, cafeteria, flex plans, or other
73 program for covered individuals administered by the Public Employees' Benefit and Insurance
74 Program.

75 [~~(4)~~] (6) "Employer" means the state, its political subdivisions, and educational
76 institutions.

77 [~~(5)~~] (7) "Program" means the Public Employees' Benefit and Insurance Program.

78 Section 2. Section **49-20-102.5** is enacted to read:

79 **49-20-102.5. Political subdivisions and education -- Adult designee.**

80 (1) The state of Utah as an employer shall provide the dependent coverage described in
81 Subsection [49-20-102\(3\)\(b\)](#) for an unmarried employee.

82 (2) The provisions of this section do not require a participating employer that is a
83 public school district, charter school, or institution of higher education that participates in the
84 state employee risk pool to offer the dependent coverage described in Subsection
85 [49-20-102\(3\)\(b\)](#) for an unmarried employee.

86 (3) An employer described in Subsection [49-20-201\(1\)\(b\)](#) may offer the dependent
87 coverage described in Subsection [49-20-102\(3\)\(b\)](#) for an unmarried employee.

88 (4) The board shall make rules to implement this section.

89 Section 3. **Effective date.**

This bill takes effect on July 1, 2014.

Legislative Review Note
as of 1-9-14 9:19 AM

Office of Legislative Research and General Counsel