



General Assembly

**Substitute Bill No. 7360**

January Session, 2019



**AN ACT CONCERNING NONSTATE PUBLIC EMPLOYER HEALTH CARE PLANS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsections (a) to (c), inclusive, of section 3-123sss of the  
2 general statutes are repealed and the following is substituted in lieu  
3 thereof (*Effective July 1, 2019*):

4 (a) Notwithstanding any provision of title 38a, the Comptroller shall  
5 offer to nonstate public employers and their nonstate public  
6 employees, and their retirees, if applicable, coverage under the state  
7 employee plan or any group hospitalization, medical, pharmacy or  
8 surgical insurance plan developed by the Comptroller. Such nonstate  
9 public employees, or retirees, if applicable, shall be pooled with the  
10 state employee plan, or group hospitalization, medical, pharmacy or  
11 surgical insurance plan provided the Comptroller receives an  
12 application from a nonstate public employer and the application is  
13 approved in accordance with this section or section 3-123ttt. Premium  
14 payments for such coverage shall be remitted by the nonstate public  
15 employer to the Comptroller and shall be the same as those paid by the  
16 state inclusive of any premiums paid by state employees, except (1)  
17 premium payments may be adjusted to reflect the cost of health care in  
18 the geographic region in which the majority of a nonstate public  
19 employer's employees work, (2) premium payments may be adjusted  
20 to reflect coverage, or (3) as otherwise provided in this section or

21 section 3-123uuu, as amended by this act. The Comptroller may charge  
22 each nonstate public employer participating in the state employee plan  
23 an administrative fee calculated on a per member, per month basis.

24 (b) (1) The Comptroller shall offer participation in any such plan for  
25 not less than three-year intervals. A nonstate public employer may  
26 apply for renewal prior to the expiration of each interval.

27 (2) The Comptroller shall develop procedures by which nonstate  
28 public employers receiving coverage for nonstate public employees  
29 pursuant to the state employee plan or group hospitalization, medical,  
30 pharmacy or surgical insurance plan may (A) apply for renewal, or (B)  
31 withdraw from such coverage, including, but not limited to, the terms  
32 and conditions under which such nonstate public employers may  
33 withdraw prior to the expiration of the interval. [and the procedure by  
34 which any premium payments such nonstate public employers may be  
35 entitled to or premium equivalent payments made in excess of  
36 incurred claims shall be refunded to such nonstate public employer.]  
37 Any such procedures shall provide that nonstate public employees  
38 covered by collective bargaining shall withdraw from such coverage in  
39 accordance with chapters 68, 113 and 166.

40 (c) Nothing in sections 3-123rrr to 3-123vvv, inclusive, shall (1)  
41 require the Comptroller to offer coverage to every nonstate public  
42 employer seeking coverage under the state employee plan, [or] (2)  
43 prevent the Comptroller from procuring coverage for nonstate public  
44 employees from vendors other than those providing coverage to state  
45 employees, or (3) prevent the Comptroller from offering plans other  
46 than those available to state employees, except the Comptroller shall  
47 not offer a plan that would qualify as a high deductible health plan, as  
48 defined in Section 220(c) or 223(c) of the Internal Revenue Code of  
49 1986, or any subsequent corresponding internal revenue code of the  
50 United States, as amended from time to time, used to establish a  
51 medical savings account or an Archer MSA pursuant to Section 220 of  
52 said Internal Revenue Code or a health savings account pursuant to  
53 Section 223 of said Internal Revenue Code.

54 Sec. 2. Section 3-123uuu of the general statutes is repealed and the  
55 following is substituted in lieu thereof (*Effective July 1, 2019*):

56 (a) [There is established an account to be known as the "state  
57 employee plan premium account", which shall be a separate,  
58 nonlapsing account within the General Fund. All premiums paid by  
59 nonstate public employers and nonstate public employees pursuant to  
60 participation in the state employee plan shall be deposited into said  
61 account. The account shall be administered by the Comptroller, with  
62 the advice of the Health Care Cost Containment Committee, for  
63 payment of claims and administrative fees to entities providing  
64 coverage or services under the state employee plan.] The Comptroller  
65 shall establish an accounting procedure to track claims and premiums  
66 paid by nonstate public employers.

67 [(b) Each nonstate public employer shall pay monthly the amount  
68 determined by the Comptroller for coverage of its nonstate public  
69 employees or its nonstate public employees and retirees, as  
70 appropriate, under the state employee plan. A nonstate public  
71 employer may require each nonstate public employee to contribute a  
72 portion of the cost of his or her coverage under the plan, subject to any  
73 collective bargaining obligation applicable to such nonstate public  
74 employer.]

75 [(c)] (b) If any payment due by a nonstate public employer [under  
76 this subsection] pursuant to the procedure established under  
77 subsection (a) of this section is not paid after the date such payment is  
78 due, interest to be paid by such nonstate public employer shall be  
79 added, retroactive to the date such payment was due, at the prevailing  
80 rate of interest as determined by the Comptroller.

81 [(d)] (c) If a nonstate public employer fails to make premium  
82 payments, the Comptroller may direct the State Treasurer, or any other  
83 officer of the state who is the custodian of any moneys made available  
84 by grant, allocation or appropriation payable to such nonstate public  
85 employer at any time subsequent to such failure, to withhold the

86 payment of such moneys until the amount of the premium or interest  
87 due has been paid to the Comptroller, or until the State Treasurer or  
88 such custodial officer determines that arrangements have been made,  
89 to the satisfaction of the State Treasurer, for the payment of such  
90 premium and interest. Such moneys shall not be withheld if such  
91 withholding will adversely affect the receipt of any federal grant or aid  
92 in connection with such moneys.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	3-123sss(a) to (c)
Sec. 2	<i>July 1, 2019</i>	3-123uuu

**PD**      *Joint Favorable Subst. -LCO*

**APP**     *Joint Favorable*