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PUBLIC EMPLOYEES' HEALTH CARE

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Litvack

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies health insurance coverage for state employees.

Highlighted Provisions:

This bill:

- ▶ defines the term "adult designee"; and
- ▶ extends health insurance coverage for state employees to include an adult designee.

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

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

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

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

(1) As used in this section, "adult designee" means an individual who is not the spouse of a state employee and:

(a) has resided in the same domicile with the state employee for at least the past 12



28 consecutive months and intends to remain so for a period of time;

29 (b) is at least 18 years of age; and

30 (c) is directly dependent upon, or interdependent with, the employee, sharing a
31 common financial obligation such as:

32 (i) a joint loan obligation, mortgage, lease, or joint ownership of a vehicle;

33 (ii) a life insurance policy, retirement benefits account, or will of the individual that
34 designates the state employee as a beneficiary or executor;

35 (iii) a mutually granted power of attorney for purposes of health care or financial
36 management; or

37 (iv) a joint bank or credit account.

38 ~~[(1)]~~ (2) (a) The state shall participate in the program on behalf of its employees[-] and
39 their eligible dependents, including an adult designee.

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

42 ~~[(2)]~~ (3) (a) The Department of Health may participate in the program for the purpose
43 of providing health and dental benefits to children enrolled in the Utah Children's Health
44 Insurance Program created in Title 26, Chapter 40, Utah Children's Health Insurance Act, if the
45 provisions in Subsection 26-40-110(4) occur.

46 (b) If the Department of Health participates in the program under the provisions of this
47 Subsection ~~[(2)]~~ (3), all insurance risk associated with the Children's Health Insurance Program
48 shall be the responsibility of the Department of Health and not the program or the office.

49 ~~[(3)]~~ (4) A covered individual shall be eligible for coverage after termination of
50 employment under rules adopted by the board.

51 ~~[(4)]~~ (5) Only the following are eligible for Medicare supplement coverage under this
52 chapter upon becoming eligible for Medicare Part A and Part B coverage:

53 (a) retirees;

54 (b) members;

55 (c) participants;

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

58 (e) current spouses of those who are eligible under Subsections ~~[(4)]~~ (5)(a) through (d).

Legislative Review Note
as of 2-4-10 11:36 AM

Office of Legislative Research and General Counsel

H.B. 177 - Public Employees' Health Care

Fiscal Note

2010 General Session
State of Utah

State Impact

Enactment of this bill will require an appropriation of \$1,720,300 from various funds as shown in the table in order to pay for increased coverage of Adult Designees.

	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2011</u> <u>Approp.</u>	<u>FY 2012</u> <u>Approp.</u>	<u>FY 2010</u> <u>Revenue</u>	<u>FY 2011</u> <u>Revenue</u>	<u>FY 2012</u> <u>Revenue</u>
General Fund	\$0	\$860,300	\$860,300	\$0	\$0	\$0
General Fund Restricted	\$0	\$129,000	\$129,000	\$0	\$0	\$0
Uniform School Fund	\$0	\$79,100	\$79,100	\$0	\$0	\$0
Transportation Fund	\$0	\$125,600	\$125,600	\$0	\$0	\$0
Transportation Fund Restricted	\$0	\$18,900	\$18,900	\$0	\$0	\$0
Federal Funds	\$0	\$326,900	\$326,900	\$0	\$0	\$0
Federal Mineral Lease	\$0	\$3,400	\$3,400	\$0	\$0	\$0
Dedicated Credits	\$0	\$104,900	\$104,900	\$0	\$0	\$0
Trust Funds	\$0	\$55,000	\$55,000	\$0	\$0	\$0
Transfers	\$0	\$17,200	\$17,200	\$0	\$0	\$0
Total	\$0	\$1,720,300	\$1,720,300	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for businesses. Local government that are covered by PEHP may be impacted due to the proposed changes in statute. Some individuals may benefit from this additional insurance coverage while others will pay increased premiums.