

SENATE FILE NO. SF0075

School district health insurance-2.

Sponsored by: Senator(s) Nicholas, Peterson and Townsend
and Representative(s) Berger, Hammons,
Harshman and Pedersen

A BILL

for

1 AN ACT relating to school district employee benefits;
2 providing school districts an option to participate in the
3 state employees' and officials' group insurance plan;
4 specifying contribution procedures and implementing payment
5 mechanisms for participating school districts; authorizing
6 interfund loans to cover coverage costs; expanding the
7 group insurance advisory panel as specified; providing an
8 appropriation; authorizing positions; and providing for an
9 effective date.

10

11 *Be It Enacted by the Legislature of the State of Wyoming:*

12

13 **Section 1.** W.S. 9-3-201(a), (c) and by creating new
14 subsections (e) and (f), 9-3-203(a)(iv) and by creating a
15 new paragraph (xv), 9-3-205 by creating a new subsection
16 (e), 9-3-210(a) and by creating a new subsection (e),

1 9-3-211(a), 9-3-213(a), 9-3-217 and 21-7-301 are amended to
2 read:

3

4 **9-3-201. Group prepaid plans authorized; agreements**
5 **with insurance companies authorized; limitation on**
6 **authorized plans and companies; payroll deductions;**
7 **self-insurance programs; optional school district**
8 **participation in plan.**

9

10 (a) The state of Wyoming and its political
11 subdivisions and school districts may obtain group prepaid
12 plans or insurance for life, health, accident or
13 hospitalization for their employees and for elected
14 officials, except for members of the legislature, and enter
15 into agreements with prepaid plans or insurance companies
16 to provide this coverage. On and after July 1, 2010,
17 insurance coverage for school district employees meeting
18 the definition of employee under W.S. 9-3-203(a)(iv),
19 shall, if elected by the district under subsection (e) of
20 this section, be provided through the state employees' and
21 officials' group insurance plan in accordance with W.S.
22 9-3-202 through 9-3-218. On and after July 1, 2010,
23 insurance coverage for retired school district employees
24 shall, if elected by the district under subsection (e) of

1 this section and if the retired employee was continuously
2 covered under the school district's insurance plan prior to
3 the election, be provided through the state employees' and
4 officials' group insurance plan in accordance with W.S.
5 9-3-202 through 9-3-218. If a school district elects to
6 cease participation in the group insurance plan pursuant to
7 subsection (f) of this section, the election shall apply to
8 retired employees of that school district who are receiving
9 coverage under this subsection.

10
11 (c) Upon a request in writing from any employee of
12 the state of Wyoming, any covered political subdivision
13 thereof or a participating school district, the state
14 treasurer or the proper officer in any political
15 subdivision or school district may deduct from the wages of
16 the employee the amount of the premium which the employee
17 has agreed to pay for the prepaid plans or insurance, and
18 to pay or remit the payment directly to the prepaid plan or
19 insurance company issuing the group plan or insurance.

20
21 (e) Any school district may elect to participate in
22 the state employees' and officials' group insurance plan by
23 filing notification of election with the department of
24 administration and information on a form and in a manner as

1 prescribed by the department. Participation in the plan
2 for any electing district shall commence not less than one
3 hundred twenty (120) days following the date on which the
4 district filed notification under this subsection and shall
5 be identical to plans and coverage provided other enrollees
6 under this act. The department shall notify the electing
7 district of the date on which the district is eligible to
8 participate in the state group insurance plan. An election
9 by a district to participate in the state group insurance
10 plan under this subsection is irrevocable for a period of
11 five (5) years from the date on which plan participation
12 originally commenced. A district may renew its initial
13 participation in the state group insurance plan without
14 interruption upon submitting notification of renewal to the
15 department prior to expiration of the initial five (5) year
16 participation period. Renewal of plan participation shall
17 be irrevocable for an additional period of not less than
18 five (5) years.

19

20 (f) Any school district which has elected to
21 participate in the state employees' and officials' group
22 insurance plan under subsection (e) of this section may,
23 upon expiration of the initial five (5) years of plan
24 participation required under subsection (e) of this

1 section, elect to cease participation in the state group
2 insurance plan by filing notification of the election to
3 the department on a form and in a manner prescribed by the
4 department. An election under this subsection shall
5 prohibit the school district from participation in the
6 state group insurance plan for a period of five (5) years
7 commencing on the date plan participation ceased.
8 Participation in the plan for any district electing to
9 cease plan participation under this subsection shall be
10 discontinued on a date determined by the department in
11 consultation with the school district, but in no event
12 later than one hundred twenty (120) days following the date
13 on which the district filed notification under this
14 subsection.

15

16 **9-3-203. Definitions.**

17

18 (a) As used in this act:

19

20 (iv) "Employee" means any employee of a
21 participating school district whose salary is paid by
22 school district funds, or any official or employee of the
23 state of Wyoming whose salary is paid by state funds,
24 including employees and faculty members of the University

1 of Wyoming and various community colleges in the state,
2 except persons employed on intermittent, irregular, or less
3 than halftime basis and any at-will contract employee who
4 does not meet the requirements established under W.S.
5 9-2-1022(a)(xi)(F)(III) or (IV). "Employee" shall not
6 include employees of the agricultural extension service of
7 the University of Wyoming who hold federal civil service
8 appointments, are required to participate in federal civil
9 service retirement and who elect to participate in the
10 federal employees' health benefit program as authorized in
11 W.S. 9-3-210(d);

12

13 (xv) "Participating school district" means any
14 school district which has elected to participate in the
15 state employees' and officials' group insurance plan under
16 W.S. 9-3-201(e) and which has not discontinued plan
17 participation pursuant to an election under W.S.
18 9-3-201(f).

19

20 **9-3-205. Administration and management of group**
21 **insurance program; powers and duties; adoption of rules and**
22 **regulations; interfund borrowing authority.**

23

1 (e) Upon request of the director of the department,
2 the state treasurer and the state auditor may utilize
3 interfund loans from the general fund or the budget reserve
4 account to cover the costs of group insurance plan coverage
5 to school districts electing to participate in the group
6 insurance plan under W.S. 9-3-201(e) or the costs of
7 discontinuing plan coverage to districts electing to cease
8 participation under W.S. 9-3-201(f). The interfund loans
9 shall be repaid as soon as anticipated revenue is received.
10 The total amount of interfund loans outstanding at any one
11 (1) time shall not exceed sixty million dollars
12 (\$60,000,000.00).

13

14 **9-3-210. Amount of state's contribution; estimates**
15 **submitted to state budget officer; specified employees**
16 **participation in federal program; participating school**
17 **district contribution.**

18

19 (a) Except for participating school districts, the
20 state shall contribute monthly the amount established and
21 appropriated by the legislature for each employee and
22 official enrolled in the plan in accordance with
23 subsections (b) and (c) of this section.

24

1 (e) A participating school district shall pay to the
2 department the monthly premium established by the
3 department for coverage of each eligible employee or
4 official of that district electing to become covered by any
5 portion of the group insurance plan. Monthly premiums
6 shall be at minimum no less than rates assessed for
7 coverage of other enrollees qualified under W.S.
8 9-3-203(a)(iv), and shall be based upon information
9 reported by the participating district to the department,
10 to be in a form and manner prescribed by the department.

11
12 **9-3-211. Deductions from salaries of monthly**
13 **contributions by employees and officials; establishment of**
14 **procedure.**

15
16 (a) The amount of monthly contribution to be made by
17 eligible employees and officials enrolled in the group
18 insurance plan for themselves and their dependents shall be
19 deducted from the monthly salaries of the employees and
20 officials by the various agencies or participating school
21 districts and remitted to the department. The procedure for
22 deductions and remittances shall be established by the
23 department. If a flexible benefits plan is chosen, the
24 employees' and officials' contribution shall be applied to

1 the chosen benefits in an amount determined by the employee
2 or official.

3

4 **9-3-213. Treasurer of monies; bond; deposit in an**
5 **account of premium cost payments, dividend payments and**
6 **return of premiums; expenditures; investment of excess**
7 **portions.**

8

9 (a) The state treasurer shall be the treasurer of
10 monies under this act, and his general bond to the state of
11 Wyoming shall cover all liabilities for his acts as
12 treasurer. The department shall remit to the treasurer for
13 deposit into a separate account all payments received by
14 the department for the group insurance premium costs from
15 employees and officials, and the state agencies,
16 departments, ~~and~~ institutions and participating school
17 districts. The department shall also remit to the treasurer
18 for deposit into the account any dividend payments and
19 return of premium received by the department from any
20 carrier underwriting the group insurance plan. All
21 remittances shall be made as soon as possible after they
22 are received.

23

24 **9-3-217. Advisory panel; composition; compensation.**

1

2 (a) The director of the department shall establish an
3 advisory panel consisting of active plan participants
4 employed by the state, participating school districts, the
5 University of Wyoming and Wyoming community colleges and of
6 retired employees who are plan participants. The panel
7 shall consist of no more than ten (10) members if there are
8 less than five (5) participating school districts or no
9 more than twelve (12) members if there are at least five
10 (5) participating school districts and, insofar as
11 possible, shall proportionally represent the specified
12 employee groups participating in the group health insurance
13 plan. The advisory panel shall be consulted regarding plan
14 benefits and costs. The director of the department shall,
15 upon receiving notification from at least five (5) school
16 districts electing group insurance plan participation under
17 W.S. 9-3-201(e), appoint two (2) additional advisory panel
18 members to increase the advisory panel to twelve (12)
19 members as provided in this section.

20

21 (b) State, participating school district, university
22 and community college employee members of the panel shall
23 suffer no loss of wages for the time devoted to attending
24 meetings of the panel called by the department. All

1 members shall be provided per diem and travel expenses
2 incurred for attending such meetings at the rates provided
3 under W.S. 9-3-102 and 9-3-103.

4

5 **21-7-301. Insurance and other fringe and employment**
6 **benefits.**

7

8 (a) The board of trustees of each school district
9 within the state may provide health insurance, life
10 insurance, and other fringe and employment benefits of all
11 types for the teachers, administrative personnel and other
12 employees of the school district to such extent as it deems
13 such benefits to be in the best interest of the school
14 district. ~~Such~~ Benefits under this subsection may be paid
15 for entirely by the school district or partly by the school
16 district and partly by the employee, the degree of
17 participation of each being entirely within the discretion
18 of the board of trustees. Benefits under this subsection
19 may be in addition to any benefits obtained through
20 supplemental assistance for health insurance under W.S.
21 21-12-336 or through the group insurance plan if elected by
22 the school district under W.S. 9-3-201(e).

23

1 (b) The board of trustees of each school district
2 which is a participating district in the state employees'
3 and officials' group insurance plan, as defined under W.S.
4 9-3-203(a)(xv), shall provide insurance under the group
5 plan for the teachers, administrative personnel and other
6 employees meeting the definition of employee under W.S.
7 9-3-203(a)(iv), as provided by W.S. 9-3-202 through
8 9-3-218. Each participating school district shall report
9 to the department of administration and information as
10 specified by W.S. 9-3-205(e) and make payments for employer
11 and employee contributions as provided by W.S. 9-3-210 and
12 9-3-211. The amount of contributions paid under W.S.
13 9-3-211 for each employee electing coverage shall be
14 deducted from the employee's monthly salary in accordance
15 with W.S. 9-3-211.

16
17 **Section 2.** Notwithstanding W.S. 9-3-207, any eligible
18 employee of a school district electing participation in the
19 state employees' and officials' group insurance plan under
20 W.S. 9-3-205(e), as amended under section 1 of this act,
21 shall have thirty-one (31) days from the date the school
22 district becomes a participating school district and the
23 district's employees are eligible for participation in the
24 state plan, to elect to be enrolled or not be enrolled in

1 the group insurance plan. A participating school
2 district's employees shall become eligible on the date the
3 school district's election is effective under W.S.
4 9-3-201(c), as amended under section 1 of this act.

5
6 **Section 3.** For the period beginning on the effective
7 date of this section and ending June 30, 2012, up to one
8 million one hundred sixty-five thousand dollars
9 (\$1,165,000.00) is appropriated from the separate employee
10 health insurance account established under W.S. 9-3-213(a)
11 to the department of administration and information to
12 implement and administer this act. From the appropriation
13 under this section, the department is authorized up to
14 fifteen (15) full-time permanent positions for purposes of
15 administering this act.

16
17 **Section 4.** This act is effective immediately upon
18 completion of all acts necessary for a bill to become law
19 as provided by Article 4, Section 8 of the Wyoming
20 Constitution.

21

22

(END)