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Senate Bill 1047 (Substitute S-1 as reported)  
Sponsor: Senator Alan Sanborn  
Committee: Reforms and Restructuring

### **CONTENT**

Senate Bill 1047 (S-1) would create a new act to permit the Civil Service Commission to establish a program allowing all public employers in Michigan to purchase employee health care coverage through the health care plan offered to State employees. "Public employer" would be defined as a city, village, township, county, public authority, local school district, public school academy, intermediate school district, community college, or public institution of higher education. If any of these employers purchased employee health care through the health care plans provided to State employees, the employer would have to pay the full cost of this coverage to the State.

Participating employers would be required to remain in the program for a three-year period. If an employer left the program, it would not be eligible to re-enter the program for two years.

In negotiating to contract for the program created under the bill, the State would be required to include among the beneficiaries of the State health plan the covered employees from all participating public employers in addition to covered State employees.

### **FISCAL IMPACT**

The bill would have no fiscal impact on the State budget, as the bill would require the employers to pay the full cost of any health care coverage purchased through the State employee health care plan. There would be an indeterminate amount of savings for other public sector employers in Michigan that chose to purchase employee health care through the State employee plan. The actual level of these potential savings cannot be determined at this time.

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