

SENATE BILL No. 1046

December 18, 2009, Introduced by Senators JANSEN, SANBORN, GEORGE, KUIPERS, BISHOP and VAN WOERKOM and referred to the Committee on Government Operations and Reform.

A bill to limit a public employer's portion of the cost of health insurance benefits; and to provide for exceptions.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "publicly funded health insurance contribution act".

3 Sec. 3. As used in this act:

4 (a) "Health insurance" means employee medical, dental, or
5 optical benefits.

6 (b) "Public employer" means the state; a county, township,
7 village, city, school district, or other political subdivision of
8 the state; an authority; a public institution of higher education;
9 or any other entity jointly created by 2 or more public employers.

1 Sec. 5. Except as otherwise provided in this act, a public
2 employer that offers health insurance to its employees or elected
3 officials shall pay no more than 80% of the premium or other cost
4 of the health insurance plan. However, a public employer shall pay
5 no more than 85% of the premium or other costs of a health
6 insurance plan that includes both wellness incentives for healthy
7 living and a health savings account as described in section 223 of
8 the internal revenue code of 1986, 26 USC 223, in combination with
9 a high deductible health plan.

10 Sec. 7. If a collective bargaining agreement that is
11 inconsistent with section 5 is in effect for a group of employees
12 of a public employer on the effective date of this act, the
13 requirements of section 5 do not apply to that group of employees
14 until the collective bargaining agreement expires. The requirements
15 of section 5 apply to any extension or renewal of the agreement.

16 Sec. 9. The requirements of section 5 apply to all public
17 employees to the greatest extent consistent with constitutionally
18 allocated powers.

19 Enacting section 1. This act takes effect January 1, 2011.