

hbd-032

Bill No. CS for CS for CS for SB 414

Amendment No. \_\_\_\_ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Representative(s) Spratt offered the following:

**Amendment (with title amendment)**

On page 1, line 18,  
remove from the bill: everything after the enacting clause,  
and insert in lieu thereof:

Section 1. (1) It is the intent of the Legislature to consider legislation at the 2001 Regular Session to expand the eligibility of the state group health insurance program and the state employees' prescription drug coverage program to include small municipalities, small counties, and district school boards of small counties. It is the intent of the Legislature that any costs or savings to the state group health insurance program or the state employees' prescription drug coverage program resulting from such expansion shall be passed on to the local government participants and their employees.

(2) The Department of Management Services shall contract with a third party to conduct an actuarial study to determine the cost of allowing small counties, small

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1 municipalities, or eligible district school boards to  
2 participate in the state group health insurance program and  
3 the state employees' prescription drug program offering such  
4 coverage to officers, employees, dependents, and retirees of  
5 such entities. Such costs shall be delineated based on the  
6 impact to the state, state officers and employees, and local  
7 government employers and their employees. The department  
8 shall issue its report to the Governor, the President of the  
9 Senate, and the Speaker of the House of Representatives by  
10 December 1, 2000.

11 (3) For purposes of conducting the actuarial study,  
12 criteria to be considered for eligibility to enroll include,  
13 but are not limited to:

14 (a) A minimum enrollment or contractual period of 3  
15 years.

16 (b) A requirement that written notice to withdraw from  
17 the program must be given at least 12 months prior to the  
18 termination date.

19 (4) The Department of Management Services shall  
20 request from the Internal Revenue Service, by October 1, 2000,  
21 a written determination letter and a favorable private letter  
22 ruling, stating that the State Group Self-Insurance Program is  
23 a facially qualified plan. The department shall notify the  
24 President of the Senate and the Speaker of the House of  
25 Representatives within 30 days after the receipt of the  
26 favorable or unfavorable letters.

27 (5) For the purposes of this section "small county"  
28 means any county that has a population of 100,000 or less  
29 according to the most recent decennial census and "small city"  
30 means any incorporated municipality that has a population of  
31 12,500 or less according to the most recent decennial census.

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1 Section 2. This act shall take effect upon becoming a  
2 law.

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5 ===== T I T L E A M E N D M E N T =====

6 And the title is amended as follows:

7 On page 1, lines 2 through 15,  
8 remove from the title of the bill: all of said lines,

9

10 and insert in lieu thereof:

11 An act relating to the state group health  
12 insurance program and the state employees'  
13 prescription drug program; providing  
14 legislative intent; authorizing the Department  
15 of Management Services to contract for an  
16 actuarial study for certain purposes; providing  
17 criteria; requiring the department to request a  
18 private letter ruling from the Internal Revenue  
19 Service; providing definitions; providing an  
20 effective date.

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