## Bill No. HB 549, 1st Eng.

Amendment No. \_\_\_\_

	CHAMBER ACTION
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11	Senator Mitchell moved the following amendment:
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13	Senate Amendment (with title amendment)
14	On page 7, between lines 10 and 11,
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16	insert:
17	Section 2. (1) It is the intent of the Legislature to
18	consider legislation during the 2001 Regular Session of the
19	Legislature to expand the eligibility of the state group
20	health insurance program and the state prescription drug
21	coverage program to include small municipalities, small
22	counties, and district school boards of small counties. It is
23	the intent of the Legislature that any costs or savings to the
24	state group health insurance program or prescription drug
25	coverage program resulting from such expansion shall be passed
26	on to the local government participants and their employees.
27	(2) The Department of Management Services shall
28	contract with a third party to conduct an actuarial study to
29	determine the cost of allowing small counties, small
30	municipalities, or eligible district school boards to
31	participate in the state group health insurance program and
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the state prescription drug program and offer such coverage to officers, employees, dependents, and retirees of such entities. Such costs shall be delineated based on the impact to the state, state officers, and employees and to the local government employers and their employees. The department shall issue its report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1, 2000.

- (3) The Department of Management Services shall request from the Internal Revenue Service, by October 1, 2000, a written determination letter and a favorable private-letter ruling, stating that the State Group Self-Insurance Program is a facially qualified plan. The department shall notify the President of the Senate and the Speaker of the House of Representatives within 30 days after the receipt of the favorable or unfavorable letters.
- (4) For purposes of conducting the actuarial study, criteria to be considered for eligibility to enroll include, but are not limited to:
- (a) A minimum enrollment or contractual period of 3 years; and
- (b) Written notice to withdraw from the program must be given at least 12 months prior to the termination date.
- (5) For the purposes of this section, the term "small county" means any county that has a population of 100,000 or less according to the most recent decennial census, and the term "small municipality" means any incorporated municipality that has a population of 12,500 or less according to the most recent decennial census.

31 (Redesignate subsequent sections.)

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====== T I T L E A M E N D M E N T ========= And the title is amended as follows: On page 1, line 6, after the semicolon, insert: providing legislative intent; requiring the Department of Management Services to contract for an actuarial study to determine the cost of allowing small counties, small municipalities, and certain school districts to participate in the state group health insurance program and the state prescription drug program; requiring the department to request a private-letter ruling; providing definitions;