

# 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.