

Legislative Analysis



ALLOW PUBLIC EMPLOYERS TO PARTICIPATE IN STATE HEALTH PLAN

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House Bill 4804

Sponsor: Rep. Lorence Wenke

Committee: Oversight and Investigations

Complete to 5-23-07

A SUMMARY OF HOUSE BILL 4804 AS INTRODUCED 5-17-07

The bill would require the Department of Civil Service to create and operate a program to allow a "public employer" to participate in a state health plan by purchasing the state health plan benefits for its employees. The public employer would be required to pay the full cost of the coverage.

"Public employer," as defined in the bill, would mean any of the following:

- A city, village, township, county, or other political subdivision.
- Any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision.
- A school district, a public school academy, or an intermediate school district;
- A community college or junior college.
- A public university.

"State Health Plan," as defined in the bill, would mean "a benefit plan for providing medical, optical, or dental benefits to employees or their dependents [that is offered to] a nonexclusively represented employee in the classified civil service."

FISCAL IMPACT:

The fiscal impact is indeterminate due to lack of data. There would be an indeterminate savings to local school districts if the district changes the current benefit package to a less expensive benefit package offered under a State health plan. The amount of savings will vary by school district. Districts may not see savings until current contracts expire.

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