

HOUSE BILL No. 4622

May 10, 2011, Introduced by Reps. MacGregor, Horn, Lyons, Hooker, Yonker, Haveman, Shaughnessy and Farrington and referred to the Committee on Oversight, Reform, and Ethics.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding section 1255a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 1255A. (1) SUBJECT TO SUBSECTION (2), IF THE BOARD OF A
2 SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT OR BOARD OF
3 DIRECTORS OF A PUBLIC SCHOOL ACADEMY OFFERS A MEDICAL BENEFIT PLAN
4 TO ITS EMPLOYEES, ALL OF THE FOLLOWING APPLY:

5 (A) FOR THE 2011-2012 SCHOOL FISCAL YEAR, THE BOARD OR BOARD
6 OF DIRECTORS SHALL ENSURE THAT THE SCHOOL DISTRICT, INTERMEDIATE
7 SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY DOES NOT PAY ON BEHALF OF
8 AN EMPLOYEE MORE THAN 80% OF THE TOTAL ANNUAL COST OF THE MEDICAL
9 BENEFIT PLAN FOR THAT EMPLOYEE FOR THAT SCHOOL FISCAL YEAR.

1 (B) FOR A SCHOOL FISCAL YEAR AFTER 2011-2012, THE AMOUNT THAT
2 THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
3 ACADEMY PAYS ON BEHALF OF AN EMPLOYEE TOWARD THE TOTAL ANNUAL COST
4 OF THE MEDICAL BENEFIT PLAN FOR THAT EMPLOYEE SHALL NOT INCREASE
5 OVER THAT AMOUNT FOR THE IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR
6 BY A PERCENTAGE IN EXCESS OF TWICE THE MEDICAL COMPONENT OF THE
7 CONSUMER PRICE INDEX, EXPRESSED AS A PERCENTAGE, FOR THE MOST
8 RECENT 12-MONTH PERIOD FOR WHICH THAT INDEX IS AVAILABLE.

9 (2) IF A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT
10 THAT IS INCONSISTENT WITH SUBSECTION (1) IS IN EFFECT FOR A GROUP
11 OF EMPLOYEES OF A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR
12 PUBLIC SCHOOL ACADEMY ON THE EFFECTIVE DATE OF THIS SECTION, THE
13 REQUIREMENTS OF SUBSECTION (1) DO NOT APPLY TO THAT GROUP OF
14 EMPLOYEES UNTIL THE COLLECTIVE BARGAINING AGREEMENT OR OTHER
15 CONTRACT EXPIRES OR IS AMENDED, EXTENDED, OR RENEWED.

16 (3) AS USED IN THIS SECTION:

17 (A) "COSTS" OF A MEDICAL BENEFIT PLAN AND "TOTAL COSTS" OF A
18 MEDICAL BENEFIT PLAN DO NOT INCLUDE COPAYMENTS, COINSURANCE,
19 DEDUCTIBLES, OTHER OUT-OF-POCKET EXPENSES, OR OTHER SERVICE-RELATED
20 FEES ASSESSED TO THE COVERAGE BENEFICIARY.

21 (B) "MEDICAL BENEFIT PLAN" MEANS A PLAN ESTABLISHED AND
22 MAINTAINED BY A CARRIER OR 1 OR MORE SCHOOL DISTRICTS, INTERMEDIATE
23 SCHOOL DISTRICTS, OR PUBLIC SCHOOL ACADEMIES THAT PROVIDES FOR THE
24 PAYMENT OF MEDICAL, OPTICAL, OR DENTAL BENEFITS, INCLUDING, BUT NOT
25 LIMITED TO, HOSPITAL AND PHYSICIAN SERVICES, PRESCRIPTION DRUGS,
26 AND RELATED BENEFITS, TO EMPLOYEES.