

SENATE BILL NO. 1129

November 14, 2024, Introduced by Senator HERTEL and referred to the Committee on Labor.

A bill to amend 2011 PA 152, entitled
"Publicly funded health insurance contribution act,"
by amending section 4 (MCL 15.564), as amended by 2013 PA 271.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) By a majority vote of its governing body each
2 year, prior to the beginning of the medical benefit plan coverage
3 year, a public employer, excluding this state, may elect to comply
4 with this section for a medical benefit plan coverage year instead
5 of the requirements in section 3. The designated state official may

1 elect to comply with this section instead of section 3 as to
2 medical benefit plans for state employees and state officers.

3 (2) For medical benefit plan coverage years beginning on or
4 after January 1, 2012 **to December 31, 2024**, a public employer shall
5 pay not more than 80% of the total annual costs of all of the
6 medical benefit plans it offers or contributes to for its employees
7 and elected public officials.

8 (3) **A public employer shall pay not more than the following**
9 **percentage of the total annual costs of all of the medical benefit**
10 **plans it offers or contributes to for its employees and elected**
11 **public officials:**

12 (a) For medical benefit plan coverage year beginning January
13 1, 2025, to December 31, 2025, 80.3%.

14 (b) For medical benefit plan coverage year beginning January
15 1, 2026, to December 31, 2026, 80.6%.

16 (c) For medical benefit plan coverage year beginning January
17 1, 2027, to December 31, 2027, 80.9%.

18 (d) For medical benefit plan coverage year beginning January
19 1, 2028, to December 31, 2028, 81.2%.

20 (e) For medical benefit plan coverage year beginning on and
21 after January 1, 2029, 81.5%.

22 (4) **The maximum public employer payments described under**
23 **subsection (3) must be concurred upon by each collective bargaining**
24 **unit. A public employer may have different maximum payments with**
25 **each collective bargaining unit. A public employer shall set the**
26 **public employer's maximum payment for employees who are not members**
27 **of a collective bargaining unit in accordance with this section.**

28 (5) For purposes of ~~this subsection,~~ **subsections (2) and (3),**
29 total annual costs ~~includes~~ **include** the premium or illustrative

1 rate of the medical benefit plan and all employer payments for
2 reimbursement of co-pays, deductibles, and payments into health
3 savings accounts, flexible spending accounts, or similar accounts
4 used for health care but ~~does~~**do** not include beneficiary-paid
5 copayments, coinsurance, deductibles, other out-of-pocket expenses,
6 other service-related fees that are assessed to the coverage
7 beneficiary, or beneficiary payments into health savings accounts,
8 flexible spending accounts, or similar accounts used for health
9 care. For purposes of this section, each elected public official
10 who participates in a medical benefit plan offered by a public
11 employer ~~shall be~~**is** required to pay 20% or more of the total
12 annual costs of that plan. The public employer may allocate the
13 employees' share of total annual costs of the medical benefit plans
14 among the employees of the public employer as it sees fit.