

SENATE BILL NO. 462

August 24, 2023, Introduced by Senator BAYER and referred to the Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 2011 PA 152, entitled
"Publicly funded health insurance contribution act,"
by amending section 2 (MCL 15.562), as amended by 2013 PA 269.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. As used in this act:
- 2 (a) "Designated state official" means:
- 3 (i) For an election affecting employees and officers in the
- 4 judicial branch of state government, the state court administrator.
- 5 (ii) For an election affecting senate employees and officers,

1 the secretary of the senate.

2 (iii) For an election affecting house of representatives
3 employees and officers, the clerk of the house.

4 (iv) For an election affecting legislative council employees,
5 the legislative council.

6 (v) For an election affecting employees in the state
7 classified service, the civil service commission.

8 (vi) For an election affecting executive branch employees who
9 are not in the state classified service, the state employer.

10 (b) "Flexible spending account" means a medical expense
11 flexible spending account in conjunction with a cafeteria plan as
12 permitted under the ~~federal~~ internal revenue code of 1986, **26 USC 1**
13 **to 9834.**

14 (c) "Health savings account" means an account as permitted
15 under section 223 of the internal revenue code of 1986, 26 USC 223.

16 (d) "Local unit of government" means ~~a~~**any of the following:**

17 (i) **A** city, village, township, or county. ~~—a~~

18 (ii) **A** municipal electric utility system as defined in section
19 4 of the Michigan energy employment act of 1976, 1976 PA 448, MCL
20 460.804. ~~—an~~

21 (iii) **An** authority created under chapter VIA of the aeronautics
22 code of the state of Michigan, 1945 PA 327, MCL 259.108 to
23 259.125c. ~~—or an~~

24 (iv) **An** authority created under 1939 PA 147, MCL 119.51 to
25 119.62.

26 (v) **An authority as that term is defined in section 1 of 1955**
27 **PA 233, MCL 124.281.**

28 (e) "Medical benefit plan" means a plan established and
29 maintained by a carrier, a voluntary employees' beneficiary

1 association described in section 501(c)(9) of the internal revenue
 2 code of 1986, 26 USC 501, or by 1 or more public employers, that
 3 provides for the payment of medical benefits, including, but not
 4 limited to, hospital and physician services, prescription drugs,
 5 and related benefits, for public employees or elected public
 6 officials. Medical benefit plan does not include benefits provided
 7 to individuals retired from a public employer or a public
 8 employer's contributions to a fund used for the sole purpose of
 9 funding health care benefits that are available to a public
 10 employee or an elected public official only ~~upon~~**on** retirement or
 11 separation from service.

12 (f) "Medical benefit plan costs" does not include a payment by
 13 the public employer to an employee or elected public official in
 14 lieu of medical benefit plan coverage and, for a medical benefit
 15 plan coverage year beginning after ~~the later of~~ January 1, 2014, ~~or~~
 16 ~~the effective date of the amendatory act that added this~~
 17 ~~subdivision,~~ includes, but is not limited to, all of the following:

18 (i) Any amount that the public employer pays directly or
 19 indirectly for the assessment levied ~~pursuant to the health~~
 20 ~~insurance claims assessment act,~~ **under former** 2011 PA 142, MCL
 21 ~~550.1731 to 550.1741.~~ **or the assessment levied pursuant to the**
 22 **insurance provider assessment act, 2018 PA 175, MCL 550.1751 to**
 23 **550.1767.**

24 (ii) Insurance agent or company commissions.

25 (iii) Any additional amount the public employer is required to
 26 pay as a fee or tax under the patient protection and affordable
 27 care act, Public Law 111-148, as amended by the ~~federal~~ health care
 28 and education reconciliation act of 2010, Public Law 111-152.

29 (g) "Medical benefit plan coverage year" means the 12-month

1 period after the effective date of the contractual or self-insured
2 medical coverage plan that a public employer provides to its
3 employees or public officials.

4 (h) "Public employer" means ~~this~~ **any of the following:**

5 (i) **This** state. ~~;-a~~

6 (ii) **A** local unit of government or other political subdivision
7 of this state. ~~;-any~~

8 (iii) **Any** intergovernmental, metropolitan, or local department,
9 agency, or authority, or other local political subdivision. ~~;-a~~

10 (iv) **A** school district, a public school academy, or an
11 intermediate school district, as those terms are defined in
12 sections 4 to 6 of the revised school code, 1976 PA 451, MCL 380.4
13 to 380.6. ~~;-a~~

14 (v) **A** community college or junior college described in section
15 7 of article VIII of the state constitution of 1963. ~~;-or an~~

16 (vi) **An** institution of higher education described in section 4
17 of article VIII of the state constitution of 1963.