

The Senate Appropriations Committee offered the following substitute to HB 1751:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated,
2 relating to the state employees' health insurance plan, so as to provide for the circumstances
3 under which the Board of Community Health may contract for the coverage of employees
4 of governmental entities; to provide for an effective date; to repeal conflicting laws; and for
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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8 The General Assembly finds that federally qualified health centers, as defined in Section
9 1395x(aa)(4) of Title 42 of the United States Code Annotated, promote and preserve the
10 provision of primary care to the residents of Georgia, particularly residents in rural areas of
11 Georgia. Steps must be taken to promote the continued existence of the federally qualified
12 health centers in order to promote the availability of primary health care to Georgia's rural
13 citizens.

SECTION 2.

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15 The General Assembly further finds that the state employees' health insurance plan is a
16 governmental plan exempt from the regulatory requirements of the Employee Retirement
17 Income Security Act of 1974 and declares that it is the public policy of the State of Georgia
18 that the Board of Community Health take all steps necessary and proper to ensure that said
19 exemption is retained by the state.

SECTION 3.

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21 Article 1 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to the
22 state employees' health insurance plan, is amended by striking Code Section 45-18-7.7,
23 relating to employees and dependents of critical access hospitals in health plans, in its
24 entirety and inserting in lieu thereof the following:

1 "45-18-7.7.

2 (a) The board is authorized to contract with any public or nonprofit critical access hospital
3 that meets such requirements as the department may establish for the inclusion of the
4 employees and dependents of such critical access hospitals in any health plan established
5 under this article. It shall be the duty of such critical access hospital to deduct from the
6 salary or other remuneration or otherwise collect such payment from its qualified
7 employees as may be required under the board's regulations. In addition, it shall be the
8 duty of such critical access hospital to make the employer contributions required for the
9 operation of such plan.

10 (b) The board is authorized to contract with any federally qualified health center, as
11 defined in Section 1395x(aa)(4) of Title 42 of the United States Code Annotated, that meets
12 such requirements as the department may establish for the inclusion of the employees and
13 dependents of such federally qualified health centers in any health plan established under
14 this article. It shall be the duty of the federally qualified health center to deduct from the
15 salary or other remuneration or otherwise collect such payment from its qualified
16 employees as may be required under the board's regulations. In addition, it shall be the
17 duty of such federally qualified health center to make the employer contributions required
18 by the board for the operation of such plan. The department shall make a determination,
19 no later than January 1, 2005, as to whether a federally qualified health center is an agency
20 or instrumentality of the State of Georgia. In the event that the department determines that
21 such centers are agencies or instrumentalities of the State of Georgia, then all employees
22 and dependents of such centers shall be eligible for inclusion in the state employees' health
23 insurance plan.

24 (c) The authority granted to the board pursuant to Code Sections 45-18-5.1, 45-18-5.2,
25 45-18-7.1, 45-18-7.2, 45-18-7.3, 45-18-7.5, and 45-18-7.6, by this Code section, or by any
26 other provision of this article may be exercised only upon a determination by the
27 department that the employer is an agency or instrumentality of the State of Georgia or
28 upon the department's receipt of an advisory opinion by the United States Department of
29 Labor that the inclusion of such employer would not result in a determination that the state
30 employees' health insurance plan is subject to regulation as a nongovernmental plan;
31 provided, however, that such restriction shall not apply to contracts entered into prior to
32 July 1, 2003."

33 SECTION 4.

34 This Act shall become effective on July 1, 2004.

SECTION 5.

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- 2 All laws and parts of laws in conflict with this Act are repealed.