

SENATE SUBSTITUTE TO HB 1751:

A BILL TO BE ENTITLED
AN ACT

To amend Article 1 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to the state employees' health insurance plan, so as to provide for the circumstances under which the Board of Community Health may contract for the coverage of employees of governmental entities; to provide that the Board of Community Health is authorized to contract with the community service boards for the inclusion in such plan of any person who retires as an employee of a community service board with at least ten years of actual service and after attaining the age of 60 years, or after 30 years of actual service to a community service board regardless of age; to provide for employer and employee contributions; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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

SECTION 2.

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

SECTION 3.

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

"45-18-7.7.

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

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

(c) The authority granted to the board pursuant to Code Sections 45-18-5.1, 45-18-5.2, 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 other provision of this article may be exercised only upon a determination by the department that the employer is an agency or instrumentality of the State of Georgia or upon the department's receipt of an advisory opinion by the United States Department of Labor that the inclusion of such employer would not result in a determination that the state employees' health insurance plan is subject to regulation as a nongovernmental plan;

1 provided, however, that such restriction shall not apply to contracts entered into prior to
2 July 1, 2003."

3 **SECTION 4.**

4 Said article is further amended by inserting immediately following Code Section 45-18-7.7
5 a new Code section to read as follows:

6 "45-18-7.8.

7 The board is authorized to contract for the continuation of coverage in any health insurance
8 plan established under this article for their employees and their eligible dependents with
9 the community service boards created by Chapter 2 of Title 37 for the inclusion of
10 employees who retire on or after July 1, 2003, with at least ten years of actual service to
11 a community service board after having attained the age of 60 years, or after 30 years of
12 actual service to a community service board regardless of age, and the spouses and
13 dependent children of such employees, as defined by the regulations of the board, in any
14 health insurance plan or plans established under this article. It shall be the duty of each
15 community service board to collect such payment from its qualified retired employees or
16 dependents as may be required under the board's regulations. In addition, it shall be the
17 duty of each community service board to make the employer contributions required for the
18 operation of such plan or plans; provided, however, that each community service board
19 shall be liable for the entire amount due without regard to whether it has received the
20 employee's share."

21 **SECTION 5.**

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

23 **SECTION 6.**

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