

House Bill 1751 (AS PASSED HOUSE AND SENATE)

By: Representatives Stephens of the 123<sup>rd</sup>, Channell of the 77<sup>th</sup>, Parrish of the 102<sup>nd</sup>, and Barnard of the 121<sup>st</sup>, Post 1

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:

7 **SECTION 1.**

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  
11 of Georgia. Steps must be taken to promote the continued existence of the federally  
12 qualified health centers in order to promote the availability of primary health care to  
13 Georgia's rural citizens.

14 **SECTION 2.**

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  
18 Georgia that the Board of Community Health take all steps necessary and proper to  
19 ensure that said exemption is retained by the state.

20 **SECTION 3.**

21 Article 1 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to  
22 the state employees' health insurance plan, is amended by striking Code Section  
23 45-18-7.7, relating to employees and dependents of critical access hospitals in health  
24 plans, in its 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, if  
 28 the department determines that such entities are not agencies or instrumentalities of the  
 29 State of Georgia, then employees and dependents of such entities may be included in the  
 30 state employees' health insurance plan up to the point that such health plan would not be  
 31 able to retain its exempt status under the federal Employee Retirement Income Security Act  
 32 of 1974."

#### 33 SECTION 4.

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

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**SECTION 5.**

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All laws and parts of laws in conflict with this Act are repealed.