

House Bill 1425

By: Representatives Porter of the 143rd, Hugley of the 133rd, Smyre of the 132nd, Randall of the 138th, Orrock of the 58th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 20 of the Official Code of Georgia Annotated, relating to education, and Title
2 45 of the Official Code of Georgia Annotated, relating to public officers and employees, so
3 as to change provisions relating to the health insurance plans for public school teachers,
4 public school employees, and state employees; to provide that certain features of such plans
5 shall not be changed without prior legislative approval; to provide for other matters related
6 to the foregoing; to provide an effective date; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Title 20 of the Official Code of Georgia Annotated, relating to education, is amended by
11 striking Code Section 20-2-883, relating to the health insurance plan for public school
12 teachers, and inserting in its place a new Code section to read as follows:

13 "20-2-883.

14 (a) The health insurance plan shall be designed by the board to:

15 (1) Provide a reasonable relationship between the hospital, surgical, and medical benefits
16 to be included and the expected distribution of expenses of each such type to be incurred
17 by the covered employees and dependents; and

18 (2) Include reasonable controls, which may include deductible and coinsurance
19 provisions applicable to some or all of the benefits, to reduce unnecessary utilization of
20 the various hospital, surgical, and medical services to be provided and to provide
21 reasonable assurance of stability in future years of the plan.

22 (b) On and after the effective date of this subsection, any of the following types of changes
23 in the plan shall require prior legislative approval:

24 (1) Any increase in the amount of premiums charged to covered employees;

25 (2) Any premium surcharges or other additional fees charged by the plan to covered
26 employees;

1 (3) Any increase in the deductibles or copayments payable by covered employees; and

2 (4) Any increase in the proportion of covered prescription drug costs payable by covered
 3 employees.

4 The prior legislative approval required under this subsection shall be by Act of the General
 5 Assembly or the adoption of a joint resolution of the General Assembly."

6 SECTION 2.

7 Said title is further amended by striking Code Section 20-2-913, relating to the health
 8 insurance plan for public school employees, and inserting in its place a new Code section to
 9 read as follows:

10 "20-2-913.

11 (a) The health insurance plan shall be designed by the board to:

12 (1) Provide a reasonable relationship between the hospital, surgical, and medical benefits
 13 to be included and the expected distribution of expenses of each such type to be incurred
 14 by the covered employees and dependents; and

15 (2) Include reasonable controls, which may include deductible and coinsurance
 16 provisions applicable to some or all of the benefits, to reduce unnecessary utilization of
 17 the various hospital, surgical, and medical services to be provided, and to provide
 18 reasonable assurance of stability in future years of the plan.

19 (b) On and after the effective date of this subsection, any of the following types of changes
 20 in the plan shall require prior legislative approval:

21 (1) Any increase in the amount of premiums charged to covered employees;

22 (2) Any premium surcharges or other additional fees charged by the plan to covered
 23 employees;

24 (3) Any increase in the deductibles or copayments payable by covered employees; and

25 (4) Any increase in the proportion of covered prescription drug costs payable by covered
 26 employees.

27 The prior legislative approval required under this subsection shall be by Act of the General
 28 Assembly or the adoption of a joint resolution of the General Assembly."

29 SECTION 3.

30 Title 45 of the Official Code of Georgia Annotated, relating to public officers and employees,
 31 is amended by striking Code Section 45-18-3, relating to the health insurance plan for state
 32 employees, and inserting in its place a new Code section to read as follows:

33 "45-18-3.

34 (a) The health insurance plan shall be designed by the board to:

1 (1) Provide a reasonable relationship between the hospital, surgical, and medical benefits
 2 to be included and the expected distribution of expenses of each such type to be incurred
 3 by the covered employees and dependents; and

4 (2) Include reasonable controls, which may include deductible and reinsurance
 5 provisions applicable to some or all of the benefits, to reduce unnecessary utilization of
 6 the various hospital, surgical, and medical services to be provided and to provide
 7 reasonable assurance of stability in future years of the plan.

8 (b) On and after the effective date of this subsection, any of the following types of changes
 9 in the plan shall require prior legislative approval:

10 (1) Any increase in the amount of premiums charged to covered employees;

11 (2) Any premium surcharges or other additional fees charged by the plan to covered
 12 employees;

13 (3) Any increase in the deductibles or copayments payable by covered employees; and

14 (4) Any increase in the proportion of covered prescription drug costs payable by covered
 15 employees.

16 The prior legislative approval required under this subsection shall be by Act of the General
 17 Assembly or the adoption of a joint resolution of the General Assembly."

18 **SECTION 4.**

19 This Act shall become effective upon its approval by the Governor or upon its becoming law
 20 without such approval.

21 **SECTION 5.**

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