

House Bill 422

By: Representatives McCollum of the 30th, Jones of the 47th, Burchett of the 176th,
Williamson of the 112th, Blackmon of the 146th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to
2 employees' insurance and benefits plans, so as to require the state employees' health
3 insurance plan include high deductible health plans; to require that at least two such high
4 deductible health plans be included in such state employees' health insurance plan; to require
5 that certain employees enrolled in such high deductible health plans have the ability to make
6 pretax contributions to health savings accounts through deductions from the salary, wages,
7 or other compensation payable to such employees; to authorize deductions from the salary,
8 wages, or other compensation of such employees for such accounts; to encourage other
9 governmental entities that employ other employees enrolled in such high deductible health
10 plans to provide such other employees the ability to make pretax contributions to health
11 savings accounts through deductions from the salary, wages, or other compensation payable
12 to such other employees; to provide for related matters; to repeal conflicting laws; and for
13 other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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16 Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to employees'
17 insurance and benefits plans, is amended by revising Code Section 45-18-3, relating to
18 design of state employees' health insurance plan, as follows:

19 "45-18-3.

20 The health insurance plan shall be designed by the board to:

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

24 (2) Include reasonable controls, which may include deductible and reinsurance
25 provisions applicable to some or all of the benefits, to reduce unnecessary utilization of
26 the various hospital, surgical, and medical services to be provided and to provide
27 reasonable assurance of stability in future years of the plan; and

28 (3) Include high deductible health plans, as defined in Section 223 of the United States
29 Internal Revenue Code."

SECTION 2.

30

31 Said chapter is further amended by adding a new Code section to read as follows:

32 "45-18-3.1.

33 (a) As used in this Code section, the term:

34 (1) 'Covered employee' means an individual described in subparagraph (A) or (D) of
35 paragraph (2) of Code Section 45-18-1.

36 (2) 'High deductible health plan' shall have the meaning as set forth in Section 223 of the
37 United States Internal Revenue Code.

38 (b) On or before October 1, 2025, the board shall ensure that:

39 (1) At least two high deductible health plans are included in the health plan or plans
40 established under this part that are offered by different insurance providers that each have

41 an affiliated custodian for health savings accounts authorized under Section 223 of the
42 United States Internal Revenue Code; and

43 (2) Each covered employee who is enrolled in such a high deductible health plan has the
44 ability to make pretax contributions, through deductions from the salary, wages, or other
45 compensation payable to such covered employee, to a health savings account, as
46 authorized under Section 223 of the United States Internal Revenue Code, that is
47 maintained by a custodian affiliated with the health insurance provider that offers such
48 high deductible health plan.

49 (c) The State Accounting Office or the head of any state governmental entity that employs
50 a covered employee who is enrolled in a high deductible health plan offered through the
51 health plan or plans established under this part is authorized to deduct or reduce from the
52 salary, wages, or other compensation payable to such covered employee amounts
53 voluntarily designated by such covered employee for the purpose of making contributions
54 to a health savings account, as authorized under Section 223 of the United States Internal
55 Revenue Code.

56 (d) Any governmental entity that employs individuals who do not meet the definition of
57 a covered employee as provided in subsection (a) of this Code section but who are included
58 in the health insurance plan or plans established under this part, including, but not limited
59 to, local boards of education, are encouraged to ensure that any such individuals who are
60 enrolled in a high deductible health plan included in the health plan or plans established
61 under this part can make pretax contributions, through deductions from the salary, wages,
62 or other compensation payable to such individuals, to a health savings account, as
63 authorized under Section 223 of the United States Internal Revenue Code."

64 **SECTION 3.**

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