ENROLLED ACT NO. 46, SENATE

SIXTIETH LEGISLATURE OF THE STATE OF WYOMING 2010 BUDGET SESSION

AN ACT relating to school district employee benefits; providing school districts an option to participate in the state employees' and officials' group insurance plan; specifying contribution procedures and implementing payment mechanisms for participating school districts; authorizing interfund loans to cover coverage costs; expanding the group insurance advisory panel as specified; providing an appropriation; authorizing positions; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

**Section 1.** W.S. 9-3-201(a), (c) and by creating new subsections (e) and (f), 9-3-203(a) (iv) and by creating a new paragraph (xv), 9-3-205 by creating a new subsection (e), 9-3-210(a) and by creating a new subsection (e), 9-3-211(a), 9-3-213(a), 9-3-217 and 21-7-301 are amended to read:

- 9-3-201. Group prepaid plans authorized; agreements companies insurance authorized; limitation authorized and companies; payroll plans deductions: self-insurance programs; optional schooldistrict participation in plan.
- of Wyoming and state its subdivisions and school districts may obtain group prepaid insurance for life, health, plans or accident hospitalization for their employees and for officials, except for members of the legislature, and enter into agreements with prepaid plans or insurance companies to provide this coverage. On and after July 1, 2010, insurance coverage for school district employees meeting the definition of employee under W.S. 9-3-203(a)(iv), shall, if elected by the district under subsection (e) of

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this section, be provided through the state employees' and officials' group insurance plan in accordance with W.S. 9-3-202 through 9-3-218. On and after July 1, 2010, insurance coverage for retired school district employees shall, if elected by the district under subsection (e) of this section and if the retired employee was continuously covered under the school district's insurance plan prior to the election, be provided through the state employees' and officials' group insurance plan in accordance with W.S. 9-3-202 through 9-3-218. If a school district elects to cease participation in the group insurance plan pursuant to subsection (f) of this section, the election shall apply to retired employees of that school district who are receiving coverage under this subsection.

- (c) Upon a request in writing from any employee of the state of Wyoming, any covered political subdivision thereof or a participating school district, the state treasurer or the proper officer in any political subdivision or school district may deduct from the wages of the employee the amount of the premium which the employee has agreed to pay for the prepaid plans or insurance, and to pay or remit the payment directly to the prepaid plan or insurance.
- (e) Any school district may elect to participate in the state employees' and officials' group insurance plan by filing notification of election with the department of administration and information on a form and in a manner as prescribed by the department. Participation in the plan for any electing district shall commence not less than one hundred twenty (120) days following the date on which the district filed notification under this subsection and shall be identical to plans and coverage provided other enrollees under this act. The department shall notify the electing district of the date on which the district is eligible to

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participate in the state group insurance plan. An election by a district to participate in the state group insurance plan under this subsection is irrevocable for a period of five (5) years from the date on which plan participation originally commenced. A district may renew its initial participation in the state group insurance plan without interruption upon submitting notification of renewal to the department prior to expiration of the initial five (5) year participation period. Renewal of plan participation shall be irrevocable for an additional period of not less than five (5) years.

(f) Any school district which has elected to participate in the state employees' and officials' group insurance plan under subsection (e) of this section may, upon expiration of the initial five (5) years of plan participation required under subsection (e) of this section, elect to cease participation in the state group insurance plan by filing notification of the election to the department on a form and in a manner prescribed by the department. An election under this subsection shall prohibit the school district from participation in the state group insurance plan for a period of five (5) years commencing on the date plan participation ceased. Participation in the plan for any district electing to cease plan participation under this subsection shall be discontinued on a date determined by the department in consultation with the school district, but in no event later than one hundred twenty (120) days following the date on which the district filed notification under this subsection.

#### 9-3-203. Definitions.

(a) As used in this act:

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- (iv) "Employee" means any employee of a participating school district whose salary is paid by school district funds, or any official or employee of the state of Wyoming whose salary is paid by state funds, including employees and faculty members of the University of Wyoming and various community colleges in the state, except persons employed on intermittent, irregular, or less than halftime basis and any at-will contract employee who does not meet the requirements established under W.S. "Employee" 9-2-1022(a)(xi)(F)(III) or (IV). shall include employees of the agricultural extension service of the University of Wyoming who hold federal civil service appointments, are required to participate in federal civil service retirement and who elect to participate in the federal employees' health benefit program as authorized in W.S. 9-3-210(d);
- (xv) "Participating school district" means any school district which has elected to participate in the state employees' and officials' group insurance plan under W.S. 9-3-201(e) and which has not discontinued plan participation pursuant to an election under W.S. 9-3-201(f).
- 9-3-205. Administration and management of group insurance program; powers and duties; adoption of rules and regulations; interfund borrowing authority.
- (e) Upon request of the director of the department, the state treasurer and the state auditor may utilize interfund loans from the general fund or the budget reserve account to cover the costs of group insurance plan coverage to school districts electing to participate in the group insurance plan under W.S. 9-3-201(e) or the costs of discontinuing plan coverage to districts electing to cease participation under W.S. 9-3-201(f). The interfund loans

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shall be repaid as soon as anticipated revenue is received. The total amount of interfund loans outstanding at any one (1) time shall not exceed sixty million dollars (\$60,000,000.00).

- 9-3-210. Amount of state's contribution; estimates submitted to state budget officer; specified employees participation in federal program; participating school district contribution.
- (a) Except for participating school districts, the state shall contribute monthly the amount established and appropriated by the legislature for each employee and official enrolled in the plan in accordance with subsections (b) and (c) of this section.
- (e) A participating school district shall pay to the department the monthly premium established by the department for coverage of each eligible employee or official of that district electing to become covered by any portion of the group insurance plan. Monthly premiums shall be at minimum no less than rates assessed for coverage of other enrollees qualified under W.S. 9-3-203(a)(iv), and shall be based upon information reported by the participating district to the department, to be in a form and manner prescribed by the department.
- 9-3-211. Deductions from salaries of monthly contributions by employees and officials; establishment of procedure.
- (a) The amount of monthly contribution to be made by eligible employees and officials enrolled in the group insurance plan for themselves and their dependents shall be deducted from the monthly salaries of the employees and officials by the various agencies or participating school

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districts and remitted to the department. The procedure for deductions and remittances shall be established by the department. If a flexible benefits plan is chosen, the employees' and officials' contribution shall be applied to the chosen benefits in an amount determined by the employee or official.

# 9-3-213. Treasurer of monies; bond; deposit in an account of premium cost payments, dividend payments and return of premiums; expenditures; investment of excess portions.

The state treasurer shall be the treasurer of monies under this act, and his general bond to the state of Wyoming shall cover all liabilities for his treasurer. The department shall remit to the treasurer for deposit into a separate account all payments received by the department for the group insurance premium costs from officials, employees and and the state departments, and institutions and participating school districts. The department shall also remit to the treasurer for deposit into the account any dividend payments and return of premium received by the department from carrier underwriting the group insurance plan. All remittances shall be made as soon as possible after they are received.

#### 9-3-217. Advisory panel; composition; compensation.

(a) The director of the department shall establish an advisory panel consisting of active plan participants employed by the state, <u>participating school districts</u>, the University of Wyoming and Wyoming community colleges and of retired employees who are plan participants. The panel shall consist of no more than ten (10) members <u>if there are less than five (5) participating school districts or no</u>

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more than twelve (12) members if there are at least five (5) participating school districts and, insofar as possible, shall proportionally represent the specified employee groups participating in the group health insurance plan. The advisory panel shall be consulted regarding plan benefits and costs. The director of the department shall, upon receiving notification from at least five (5) school districts electing group insurance plan participation under W.S. 9-3-201(e), appoint two (2) additional advisory panel members to increase the advisory panel to twelve (12) members as provided in this section.

(b) State, <u>participating school district</u>, university and community college employee members of the panel shall suffer no loss of wages for the time devoted to attending meetings of the panel called by the department. All members shall be provided per diem and travel expenses incurred for attending such meetings at the rates provided under W.S. 9-3-102 and 9-3-103.

## 21-7-301. Insurance and other fringe and employment benefits.

(a) The board of trustees of each school district within the state may provide health insurance, life insurance, and other fringe and employment benefits of all types for the teachers, administrative personnel and other employees of the school district to such extent as it deems such benefits to be in the best interest of the school district. Such Benefits under this subsection may be paid for entirely by the school district or partly by the school district and partly by the employee, the degree of participation of each being entirely within the discretion of the board of trustees. Benefits under this subsection may be in addition to any benefits obtained through the

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group insurance plan if elected by the school district under W.S. 9-3-201(e).

(b) The board of trustees of each school district which is a participating district in the state employees' and officials' group insurance plan, as defined under W.S. 9-3-203(a)(xv), shall provide insurance under the group plan for the teachers, administrative personnel and other employees meeting the definition of employee under W.S. 9-3-203(a)(iv), as provided by W.S. 9-3-202 through 9-3-218. Each participating school district shall report to the department of administration and information as specified by W.S. 9-3-205(e) and make payments for employer and employee contributions as provided by W.S. 9-3-210 and The amount of contributions paid under W.S. 9-3-211. 9-3-211 for each employee electing coverage shall be deducted from the employee's monthly salary in accordance with W.S. 9-3-211.

**Section 2.** Notwithstanding W.S. 9-3-207, any eligible employee of a school district electing participation in the state employees' and officials' group insurance plan under W.S. 9-3-205(e), as amended under section 1 of this act, shall have thirty-one (31) days from the date the school district becomes a participating school district and the district's employees are eligible for participation in the state plan, to elect to be enrolled or not be enrolled in the group insurance plan. A participating school district's employees shall become eligible on the date the school district's election is effective under W.S. 9-3-201(c), as amended under section 1 of this act.

**Section 3.** For the period beginning on the effective date of this section and ending June 30, 2012, up to one million one hundred sixty-five thousand dollars (\$1,165,000.00) is appropriated from the separate employee

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health insurance account established under W.S. 9-3-213(a) to the department of administration and information to implement and administer this act. From the appropriation under this section, the department is authorized up to fifteen (15) full-time permanent positions if those positions are necessary to administer this act and the positions are authorized to be filled by the governor.

**Section 4.** This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

Speaker of the House	President of the Senate
Governor	
TIME APPROVED:	
DATE APPROVED:	
I hereby certify that this act	originated in the Senate.
Chief Clerk	