

SENATE FILE NO. SF0075

School district health insurance-2.

Sponsored by: Senator(s) Nicholas, Peterson and Townsend
and Representative(s) Berger, Hammons,
Harshman and Pedersen

A BILL

for

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

10

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

12

13 **Section 1.** W.S. 9-3-201(a), (c) and by creating new
14 subsections (e) and (f), 9-3-203(a)(iv) and by creating a
15 new paragraph (xv), 9-2-205 by creating a new subsection
16 (e), 9-3-210(a) and by creating a new subsection (e),

1 9-3-211(a), 9-3-213(a), 9-3-217 and 21-7-301 are amended to
2 read:

3

4 9-3-201. Group prepaid plans authorized; agreements
5 with insurance companies authorized; limitation on
6 authorized plans and companies; payroll deductions;
7 self-insurance programs; optional school district
8 participation in plan.

9

10 (a) The state of Wyoming and its political
11 subdivisions and school districts may obtain group prepaid
12 plans or insurance for life, health, accident or
13 hospitalization for their employees and for elected
14 officials, except for members of the legislature, and enter
15 into agreements with prepaid plans or insurance companies
16 to provide this coverage. On and after July 1, 2010,
17 insurance coverage for school district employees meeting
18 the definition of employee under W.S. 9-3-203(a)(iv),
19 shall, if elected by the district under subsection (e) of
20 this section, be provided through the state employees' and
21 officials' group insurance plan in accordance with W.S.
22 9-3-202 through 9-3-218.

23

1 (c) Upon a request in writing from any employee of
2 the state of Wyoming, any covered political subdivision
3 thereof or a participating school district, the state
4 treasurer or the proper officer in any political
5 subdivision or school district may deduct from the wages of
6 the employee the amount of the premium which the employee
7 has agreed to pay for the prepaid plans or insurance, and
8 to pay or remit the payment directly to the prepaid plan or
9 insurance company issuing the group plan or insurance.

10
11 (e) Any school district may elect to participate in
12 the state employees' and officials' group insurance plan by
13 filing notification of election with the department of
14 administration and information on a form and in a manner as
15 prescribed by the department. Participation in the plan
16 for any electing district shall commence not less than one
17 hundred twenty (120) days following the date on which the
18 district filed notification under this subsection and shall
19 be identical to plans and coverage provided other enrollees
20 under this act. The department shall notify the electing
21 district of the date on which the district is eligible to
22 participate in the state group insurance plan. An election
23 by a district to participate in the state group insurance
24 plan under this subsection is irrevocable for a period of

1 five (5) years from the date on which plan participation
2 originally commenced. A district may renew its initial
3 participation in the state group insurance plan without
4 interruption upon submitting notification of renewal to the
5 department prior to expiration of the initial five (5) year
6 participation period. Renewal of plan participation shall
7 be irrevocable for an additional period of not less than
8 five (5) years.

9
10 (f) Any school district which has elected to
11 participate in the state employees' and officials' group
12 insurance plan under subsection (e) of this section may,
13 upon expiration of the initial five (5) years of plan
14 participation required under subsection (e) of this
15 section, elect to cease participation in the state group
16 insurance plan by filing notification of the election to
17 the department on a form and in a manner prescribed by the
18 department. An election under this subsection shall
19 prohibit the school district from participation in the
20 state group insurance plan for a period of five (5) years
21 commencing on the date plan participation ceased.
22 Participation in the plan for any district electing to
23 cease plan participation under this subsection shall be
24 discontinued on a date determined by the department in

1 consultation with the school district, but in no event
2 later than one hundred twenty (120) days following the date
3 on which the district filed notification under this
4 subsection.

5
6 **9-3-203. Definitions.**

7
8 (a) As used in this act:

9
10 (iv) "Employee" means any employee of a
11 participating school district whose salary is paid by
12 school district funds, or any official or employee of the
13 state of Wyoming whose salary is paid by state funds,
14 including employees and faculty members of the University
15 of Wyoming and various community colleges in the state,
16 except persons employed on intermittent, irregular, or less
17 than halftime basis and any at-will contract employee who
18 does not meet the requirements established under W.S.
19 9-2-1022(a)(xi)(F)(III) or (IV). "Employee" shall not
20 include employees of the agricultural extension service of
21 the University of Wyoming who hold federal civil service
22 appointments, are required to participate in federal civil
23 service retirement and who elect to participate in the

1 federal employees' health benefit program as authorized in
2 W.S. 9-3-210(d);

3
4 (xv) "Participating school district" means any
5 school district which has elected to participate in the
6 state employees' and officials' group insurance plan under
7 W.S. 9-3-201(e) and which has not discontinued plan
8 participation pursuant to an election under W.S.
9 9-3-201(f).

10
11 **9-3-205. Administration and management of group**
12 **insurance program; powers and duties; adoption of rules and**
13 **regulations; interfund borrowing authority.**

14
15 (e) Upon request of the director of the department,
16 the state treasurer and the state auditor may utilize
17 interfund loans from the general fund or the budget reserve
18 account to cover the costs of group insurance plan coverage
19 to school districts electing to participate in the group
20 insurance plan under W.S. 9-3-201(e) or the costs of
21 discontinuing plan coverage to districts electing to cease
22 participation under W.S. 9-3-201(f). The interfund loans
23 shall be repaid as soon as anticipated revenue is received.
24 The total amount of interfund loans outstanding at any one

1 (1) time shall not exceed sixty million dollars
2 (\$60,000,000.00).

3

4 9-3-210. Amount of state's contribution; estimates
5 submitted to state budget officer; specified employees
6 participation in federal program; participating school
7 district contribution.

8

9 (a) Except for participating school districts, the
10 state shall contribute monthly the amount established and
11 appropriated by the legislature for each employee and
12 official enrolled in the plan in accordance with
13 subsections (b) and (c) of this section.

14

15 (e) A participating school district shall pay to the
16 department the monthly premium established by the
17 department for coverage of each eligible employee or
18 official of that district electing to become covered by any
19 portion of the group insurance plan. Monthly premiums
20 shall be at minimum no less than rates assessed for
21 coverage of other enrollees qualified under W.S.
22 9-3-203(a)(iv), and shall be based upon information
23 reported by the participating district to the department,
24 to be in a form and manner prescribed by the department.

1

2 **9-3-211. Deductions from salaries of monthly**
3 **contributions by employees and officials; establishment of**
4 **procedure.**

5

6 (a) The amount of monthly contribution to be made by
7 eligible employees and officials enrolled in the group
8 insurance plan for themselves and their dependents shall be
9 deducted from the monthly salaries of the employees and
10 officials by the various agencies or participating school
11 districts and remitted to the department. The procedure for
12 deductions and remittances shall be established by the
13 department. If a flexible benefits plan is chosen, the
14 employees' and officials' contribution shall be applied to
15 the chosen benefits in an amount determined by the employee
16 or official.

17

18 **9-3-213. Treasurer of monies; bond; deposit in an**
19 **account of premium cost payments, dividend payments and**
20 **return of premiums; expenditures; investment of excess**
21 **portions.**

22

23 (a) The state treasurer shall be the treasurer of
24 monies under this act, and his general bond to the state of

1 Wyoming shall cover all liabilities for his acts as
2 treasurer. The department shall remit to the treasurer for
3 deposit into a separate account all payments received by
4 the department for the group insurance premium costs from
5 employees and officials, and the state agencies,
6 departments, ~~and~~ institutions and participating school
7 districts. The department shall also remit to the treasurer
8 for deposit into the account any dividend payments and
9 return of premium received by the department from any
10 carrier underwriting the group insurance plan. All
11 remittances shall be made as soon as possible after they
12 are received.

13

14 **9-3-217. Advisory panel; composition; compensation.**

15

16 (a) The director of the department shall establish an
17 advisory panel consisting of active plan participants
18 employed by the state, participating school districts, the
19 University of Wyoming and Wyoming community colleges and of
20 retired employees who are plan participants. The panel
21 shall consist of no more than ten (10) members if there are
22 less than five (5) participating school districts or no
23 more than twelve (12) members if there are at least five
24 (5) participating school districts and, insofar as

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

10
11 (b) State, participating school district, university
12 and community college employee members of the panel shall
13 suffer no loss of wages for the time devoted to attending
14 meetings of the panel called by the department. All
15 members shall be provided per diem and travel expenses
16 incurred for attending such meetings at the rates provided
17 under W.S. 9-3-102 and 9-3-103.

18
19 **21-7-301. Insurance and other fringe and employment**
20 **benefits.**

21
22 (a) The board of trustees of each school district
23 within the state may provide health insurance, life
24 insurance, and other fringe and employment benefits of all

1 types for the teachers, administrative personnel and other
2 employees of the school district to such extent as it deems
3 such benefits to be in the best interest of the school
4 district. ~~Such~~ Benefits under this subsection may be paid
5 for entirely by the school district or partly by the school
6 district and partly by the employee, the degree of
7 participation of each being entirely within the discretion
8 of the board of trustees. Benefits under this subsection
9 may be in addition to any benefits obtained through
10 supplemental assistance for health insurance under W.S.
11 21-12-336 or through the group insurance plan if elected by
12 the school district under W.S. 9-3-201(e).

13
14 (b) The board of trustees of each school district
15 which is a participating district in the state employees'
16 and officials' group insurance plan, as defined under W.S.
17 9-3-203(a)(xv), shall provide insurance under the group
18 plan for the teachers, administrative personnel and other
19 employees meeting the definition of employee under W.S.
20 9-3-203(a)(iv), as provided by W.S. 9-3-202 through
21 9-3-218. Each participating school district shall report
22 to the department of administration and information as
23 specified by W.S. 9-3-205(e) and make payments for employer
24 and employee contributions as provided by W.S. 9-3-210 and

1 9-3-211. The amount of contributions paid under W.S.
2 9-3-211 for each employee electing coverage shall be
3 deducted from the employee's monthly salary in accordance
4 with W.S. 9-3-211.

5
6 **Section 2.** Notwithstanding W.S. 9-3-207, any eligible
7 employee of a school district electing participation in the
8 state employees' and officials' group insurance plan under
9 W.S. 9-3-205(e), as amended under section 1 of this act,
10 shall have thirty-one (31) days from the date the school
11 district becomes a participating school district and the
12 district's employees are eligible for participation in the
13 state plan, to elect to be enrolled or not be enrolled in
14 the group insurance plan. A participating school
15 district's employees shall become eligible on the date the
16 school district's election is effective under W.S.
17 9-3-201(c), as amended under section 1 of this act.

18
19 **Section 3.** For the period beginning on the effective
20 date of this section and ending June 30, 2012, up to one
21 million one hundred sixty-five thousand dollars
22 (\$1,165,000.00) is appropriated from the separate employee
23 health insurance account established under W.S. 9-3-213(a)
24 to the department of administration and information to

1 implement and administer this act. From the appropriation
2 under this section, the department is authorized up to
3 fifteen (15) full-time permanent positions for purposes of
4 administering this act.

5

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

10

11 (END)