

HOUSE BILL NO. HB0020

Health insurance trusts-fiscal policy.

Sponsored by: Joint Labor, Health and Social Services
Interim Committee

A BILL

for

1 AN ACT relating to the Uniform Municipal Fiscal Procedures
2 Act; providing that political subdivisions providing health
3 insurance by self-insuring or through insurance trust plans
4 are subject to reporting and auditing by the insurance
5 commissioner as specified; providing authority for the
6 insurance commissioner to require fiscal improvements in
7 self-insurance or trusts as specified; amending a
8 definition; and providing for an effective date.

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

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12 **Section 1.** W.S. 16-4-126 is created to read:

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14 **16-4-126. Self-insurance trusts for employee health**
15 **coverage.**

16

1 (a) Any municipality as defined in W.S.
2 16-4-102(a)(xiv) that provides disability insurance, as
3 defined in W.S. 26-5-103, for its employees under a self-
4 insurance plan through an insurance trust with other
5 political subdivisions shall comply with the following
6 requirements:

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8 (i) The municipality shall report to the
9 insurance department, at times reasonably required by the
10 insurance commissioner, such information regarding the
11 municipality's self-insurance plan or trust as required by
12 the commissioner to demonstrate the actuarial viability of
13 the plan or trust;

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15 (ii) The insurance commissioner may provide for
16 an audit of the municipality's plan or trust at any time.
17 The insurance commissioner may decide the scope and extent
18 of the audit and require the plan or trust to cover all
19 costs of the audit;

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21 (iii) The insurance commissioner shall have
22 authority to determine if a municipality's insurance plan
23 reserves are inadequate or that a pool is not large enough
24 to protect the pool from insolvency, and to require that

1 reserves be increased, that the pool purchase reinsurance
2 or stop loss insurance above a specified claim level or
3 that the pool adopt a specified combination of these
4 remedies. The insurance commissioner may impose penalties
5 for noncompliance with the commissioner's requirements as
6 provided in W.S. 26-1-107.

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8 (b) The insurance commissioner may promulgate rules
9 and regulations to implement this section.

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11 **Section 2.** W.S. 16-4-102(a)(xx) is amended to read:

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13 **16-4-102. Definitions.**

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15 (a) As used in this act:

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17 (xx) "This act" means W.S. 16-4-101 through

18 ~~16-4-124~~ 16-4-126.

19

20 **Section 3.** This act is effective July 1, 2012.

21

22 (END)