



SENATE BILL No. 541

September 25, 2013, Introduced by Senators ROBERTSON and HANSEN and referred to the Committee on Reforms, Restructuring and Reinventing.

A bill to amend 2011 PA 152, entitled
"Publicly funded health insurance contribution act,"
by amending section 2 (MCL 15.562).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Designated state official" means:

3 (i) For an election affecting employees and officers in the
4 judicial branch of state government, the state court administrator.

5 (ii) For an election affecting senate employees and officers,
6 the secretary of the senate.

7 (iii) For an election affecting house of representatives
8 employees and officers, the clerk of the house.

1 (iv) For an election affecting legislative council employees,
2 the legislative council.

3 (v) For an election affecting employees in the state
4 classified service, the civil service commission.

5 (vi) For an election affecting executive branch employees who
6 are not in the state classified service, the state employer.

7 (b) "Flexible spending account" means a medical expense
8 flexible spending account in conjunction with a cafeteria plan as
9 permitted under the federal internal revenue code of 1986.

10 (c) "Health savings account" means an account as permitted
11 under section 223 of the internal revenue code of 1986, 26 USC 223.

12 (d) "Local unit of government" means a city, village,
13 township, or county, a municipal electric utility system as defined
14 in section 4 of the Michigan energy employment act of 1976, 1976 PA
15 448, MCL 460.804, an authority created under chapter VIA of the
16 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.108
17 to 259.125c, or an authority created under 1939 PA 147, MCL 119.51
18 to 119.62.

19 (e) "Medical benefit plan" means a plan established and
20 maintained by a carrier, a voluntary employees' beneficiary
21 association described in section 501(c)(9) of the internal revenue
22 code of 1986, 26 USC 501, or by 1 or more public employers, that
23 provides for the payment of medical benefits, including, but not
24 limited to, hospital and physician services, prescription drugs,
25 and related benefits, for public employees or elected public
26 officials. Medical benefit plan does not include benefits provided
27 to individuals retired from a public employer **OR A PUBLIC**

Senate Bill No. 541 as amended October 8, 2013

1 EMPLOYER'S CONTRIBUTIONS TO A FUND USED FOR THE SOLE PURPOSE OF
2 FUNDING HEALTH CARE BENEFITS THAT ARE AVAILABLE TO A PUBLIC
3 EMPLOYEE OR AN ELECTED PUBLIC OFFICIAL ONLY UPON RETIREMENT OR
4 SEPARATION FROM SERVICE.

<<(F) "MEDICAL BENEFIT PLAN COVERAGE YEAR" MEANS THE 12-MONTH
PERIOD AFTER THE EFFECTIVE DATE OF THE CONTRACTUAL OR SELF-INSURED
MEDICAL COVERAGE PLAN THAT A PUBLIC EMPLOYER PROVIDES TO ITS EMPLOYEES
OR PUBLIC OFFICIALS.

5 (G) ~~(F)~~>> "Public employer" means this state; a local unit of
6 government or other political subdivision of this state; any
7 intergovernmental, metropolitan, or local department, agency, or
8 authority, or other local political subdivision; a school district,
9 a public school academy, or an intermediate school district, as
10 those terms are defined in sections 4 to 6 of the revised school
11 code, 1976 PA 451, MCL 380.4 to 380.6; a community college or
12 junior college described in section 7 of article VIII of the state
13 constitution of 1963; or an institution of higher education
14 described in section 4 of article VIII of the state constitution of
15 1963.

16 Enacting section 1. This amendatory act clarifies the original
17 intent of the legislature that the costs of a public employer's
18 medical benefit plan do not include the public employer's
19 contributions to a health care fund for benefits that are available
20 to an employee or elected official only upon retirement or
21 separation from service. This amendatory act is curative and
22 applies retroactively.