

HOUSE BILL No. 6587

December 2, 2010, Introduced by Rep. Melton and referred to the Committee on Public Employee Health Care Reform.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
(MCL 18.1101 to 18.1594) by adding section 280a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 280A. (1) BY NOT LATER THAN 60 DAYS AFTER THE EFFECTIVE
2 DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT
3 SHALL CONTRACT TO HAVE CONDUCTED A RECONCILIATION AUDIT OF THE
4 HEALTH BENEFITS OF COVERED PUBLIC EMPLOYEES. THE AUDIT SHALL MEET
5 ALL OF THE FOLLOWING:

6 (A) DETERMINE WHICH INDIVIDUALS COVERED UNDER A HEALTH BENEFIT
7 PLAN PROVIDED BY A PUBLIC EMPLOYER ARE ENROLLED IN MORE THAN 1
8 HEALTH BENEFIT PLAN AND PROVIDE AN AMNESTY PERIOD IN WHICH PUBLIC
9 EMPLOYEES ARE INFORMED OF COVERAGE ELIGIBILITY RULES AND PROVIDED A

1 PERIOD OF TIME TO VOLUNTARILY CORRECT DUAL COVERAGE ERRORS.

2 (B) PROVIDE A PROCESS THAT PERMITS PUBLIC EMPLOYEES TO APPEAL
3 AN INELIGIBILITY OR NONRESPONDENT DECISION.

4 (C) BE COMPLETED BY NOT LATER THAN 180 DAYS AFTER THE
5 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION.

6 (D) BE CONDUCTED IN COMPLIANCE WITH THE HEALTH INSURANCE
7 PORTABILITY AND ACCOUNTABILITY ACT OF 1996, PUBLIC LAW 104-191.

8 (2) BY NOT LATER THAN 210 DAYS AFTER THE EFFECTIVE DATE OF THE
9 AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT SHALL REPORT
10 TO THE SENATE AND HOUSE OF REPRESENTATIVES ON THE OUTCOMES OF THE
11 AUDIT CONDUCTED UNDER THIS SECTION AND SHALL RECOMMEND FROM THE
12 AUDIT'S FINDINGS ANY LEGISLATION AS MAY BE NECESSARY TO REALIZE
13 ADDITIONAL COST SAVINGS.

14 (3) THE LEGISLATURE SHALL APPROPRIATE SUFFICIENT FUNDS TO PAY
15 FOR THE RECONCILIATION AUDIT CONTRACTED FOR UNDER THIS SECTION.

16 (4) AS USED IN THIS SECTION:

17 (A) "HEALTH BENEFITS" MEANS MEDICAL, SURGICAL, OR HOSPITAL
18 CARE BENEFITS.

19 (B) "PUBLIC EMPLOYEE" MEANS AN EMPLOYEE, OFFICER, OR ELECTED
20 OFFICIAL OF A PUBLIC EMPLOYER, OR AN EMPLOYEE RETIRED FROM
21 EMPLOYMENT WITH A PUBLIC EMPLOYER, WHO IS RECEIVING HEALTH BENEFITS
22 COVERAGE FUNDED IN WHOLE OR IN PART BY A PUBLIC EMPLOYER.

23 (C) "PUBLIC EMPLOYER" MEANS THE FOLLOWING:

24 (i) THE STATE.

25 (ii) ANY OF THE FOLLOWING:

26 (A) A CITY, VILLAGE, TOWNSHIP, COUNTY, OR OTHER POLITICAL
27 SUBDIVISION OF THIS STATE.

1 (B) AN INTERGOVERNMENTAL, METROPOLITAN, OR LOCAL DEPARTMENT,
2 AGENCY, OR AUTHORITY OR OTHER LOCAL POLITICAL SUBDIVISION.

3 (C) A SCHOOL DISTRICT, A PUBLIC SCHOOL ACADEMY, OR AN
4 INTERMEDIATE SCHOOL DISTRICT, AS THOSE TERMS ARE DEFINED IN THE
5 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852.

6 (D) A COMMUNITY COLLEGE OR JUNIOR COLLEGE DESCRIBED IN SECTION
7 7 OF ARTICLE VIII OF THE STATE CONSTITUTION OF 1963.

8 (E) A PUBLIC UNIVERSITY DESCRIBED IN SECTION 4, 5, OR 6 OF
9 ARTICLE VIII OF THE STATE CONSTITUTION OF 1963.

10 (F) A BOARD OR OTHER ADMINISTRATOR OF A PUBLIC EMPLOYEE OR
11 OFFICER RETIREMENT SYSTEM.