

PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT (EXCERPT)
Act 152 of 2011

15.563 Public employer contribution to medical benefit plan; limitation on amount; allocation of payments; adjustment of maximum payment.

Sec. 3. (1) Except as otherwise provided in this act, a public employer that offers or contributes to a medical benefit plan for its employees or elected public officials shall pay no more of the annual costs or illustrative rate and any payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs, than a total amount equal to \$5,500.00 times the number of employees and elected public officials with single-person coverage, \$11,000.00 times the number of employees and elected public officials with individual-and-spouse coverage or individual-plus-1-nonspouse-dependent coverage, plus \$15,000.00 times the number of employees and elected public officials with family coverage, for a medical benefit plan coverage year beginning on or after January 1, 2012. A public employer may allocate its payments for medical benefit plan costs among its employees and elected public officials as it sees fit. By October 1 of each year after 2011 and before 2019, the state treasurer shall adjust the maximum payment permitted under this subsection for each coverage category for medical benefit plan coverage years beginning the succeeding calendar year, based on the change in the medical care component of the United States Consumer Price Index for the most recent 12-month period for which data are available from the United States Department of Labor, Bureau of Labor Statistics. By April 1 of each year after 2018, the state treasurer shall adjust the maximum payment permitted under this subsection for each coverage category for medical benefit plan coverage years beginning the succeeding calendar year, based on the change in the medical care component of the United States Consumer Price Index for the most recent 12-month period for which data are available from the United States Department of Labor, Bureau of Labor Statistics.

(2) For a medical benefit plan coverage year beginning January 1, 2014 through December 31, 2014, the multiplier used to calculate the maximum public employer payment under subsection (1) is \$12,250.00 for employees and elected public officials with individual-and-spouse coverage or individual-plus-1-nonspouse-dependent coverage. The state treasurer shall adjust the multiplier each year as provided in subsection (1).

(3) For purposes of calculating a public employer's maximum total annual medical benefit plan costs under subsection (1), "employee or elected public official" does not include an employee or elected public official who declines the medical benefit plan offered or contributed to by the public employer.

History: 2011, Act 152, Imd. Eff. Sept. 27, 2011;—Am. 2013, Act 270, Imd. Eff. Dec. 30, 2013;—Am. 2018, Act 477, Imd. Eff. Dec. 27, 2018.

Compiler's note: Enacting section 1 of Act 270 of 2013 provides:

"Enacting section 1. Section 3(1) and (3) of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.563, as amended or added by this amendatory act, clarifies the original intent of the legislature that a public employee or elected official who declines the public employer's medical benefit plan coverage is not an employee or elected public official for purposes of calculating the public employer's maximum total annual medical benefit plan costs. These amendments are curative and apply retroactively."