



General Assembly

Amendment

January Session, 2011

LCO No. 8453

HB0630808453SR0

Offered by:
SEN. KELLY, 21st Dist.

To: Subst. House Bill No. 6308

File No. 868

Cal. No. 592

"AN ACT CONCERNING HEALTHCARE REFORM."

1 After line 358, insert the following and renumber the remaining
2 sections and internal references accordingly:

3 "Sec. 9. Subsection (m) of section 5-259 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective July*
5 *1, 2011*):

6 (m) (1) Notwithstanding any provision of the general statutes, the
7 Comptroller shall begin procedures to convert the group
8 hospitalization and medical and surgical insurance plans set forth in
9 subsection (a) of this section, including any prescription drug plan
10 offered in connection with or in addition to such insurance plans, to
11 self-insured plans, except that any dental plan offered in connection
12 with or in addition to such self-insured plans may be fully insured.

13 (2) The Comptroller may enter into contracts with third-party
14 administrators to provide administrative services only for the self-
15 insured plans set forth in subdivision (1) of this subsection. Any such

16 third-party administrator shall be required under such contract to
17 charge such third-party administrator's lowest available rate for such
18 services.

19 (3) (A) (i) The Comptroller shall offer nonstate public employers the
20 option to purchase prescription drugs for their employees, employees'
21 dependents and retirees under the purchasing authority of the state
22 pursuant to section 1 of public act 09-206, subject to the provisions of
23 subparagraph (E) of this subdivision.

24 (ii) For purposes of this subdivision, "nonstate public employer"
25 means (I) a municipality or other political subdivision of the state,
26 including a board of education, quasi-public agency or public library,
27 as defined in section 11-24a, or (II) the Teachers' Retirement Board.

28 (B) The Comptroller shall establish procedures to determine (i) the
29 eligibility requirements for, (ii) the enrollment procedures for, (iii) the
30 duration of, (iv) requirements regarding payment for, and (v) the
31 procedures for withdrawal from and termination of, the purchasing of
32 prescription drugs for nonstate public employers under subparagraph
33 (A) of this subdivision.

34 (C) The Comptroller may offer to nonstate public employers that
35 choose to purchase prescription drugs pursuant to subparagraph (A)
36 of this subdivision the option to purchase stop loss coverage from an
37 insurer at a rate negotiated by the Comptroller.

38 (D) Two or more nonstate public employers may join together for
39 the purpose of purchasing prescription drugs for their employees,
40 employees' dependents and retirees. Such arrangement shall not
41 constitute a multiple employer welfare arrangement, as defined in
42 Section 3 of the Employee Retirement Income Security Act of 1974, as
43 amended from time to time.

44 (E) (i) The Comptroller shall offer nonstate public employers the
45 option to purchase prescription drugs through the plan set forth in the
46 State Employees' Bargaining Agent Coalition's collective bargaining

47 agreement with the state only if the Health Care Cost Containment
48 Committee, established in accordance with the ratified agreement
49 between the state and said coalition pursuant to subsection (f) of
50 section 5-278, has indicated in writing to the Comptroller that allowing
51 such nonstate public employers such option is consistent with said
52 coalition's collective bargaining agreement.

53 (ii) Such writing shall not be required if the Comptroller establishes
54 a separate prescription drugs purchasing plan for nonstate public
55 employers.

56 (iii) Nonstate public employers that purchase prescription drugs
57 pursuant to this subdivision shall pay the full cost of their own claims
58 and prescription drugs.

59 (4) Any self-insured group health benefits plan established under
60 this section shall comply with reserve and net worth requirements in
61 accordance with subsection (l) of section 38a-78 and sections 38a-80
62 and 38a-193, and financial reporting requirements set forth in section
63 38a-53."