



Ohio Legislative Service Commission

Bill Analysis

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S.B. 34

128th General Assembly
(As Introduced)

Sens. D. Miller, Turner, Roberts, R. Miller, Fedor, Sawyer

BILL SUMMARY

- Requires the Department of Administrative Services to implement and administer a health insurance program that allows municipal corporations, small employers, and nonprofit corporations or associations to purchase health insurance for their eligible employees from the plan available for state employees.

CONTENT AND OPERATION

State-administered health insurance program for certain non-state employees

Under current law, the Ohio Department of Administrative Services (DAS) is required to enter into contracts that provide health insurance coverage to state employees (R.C. 124.82, not in the bill). The bill makes the coverage under those contracts available to certain non-state employees.

Under the bill, by not later than six months after the bill is effective, DAS must implement and administer a program (which must be actuarially sound) whereby small employers, municipal corporations, and nonprofit corporations and associations can purchase health insurance coverage for their eligible employees (see "**Definitions**" below). The health insurance is available for purchase from DAS under the same contracts entered into by DAS for state employees. DAS must charge the small employers, municipal corporations, and nonprofit corporations and associations who purchase health insurance through the program the entire amount of the premiums or costs for coverage. Additionally, DAS can charge a fee for administering the program. The small employers, municipal corporations, and nonprofit corporations and associations can charge their employees for all or any portion of the costs of coverage purchased.

The Director of Administrative Services must adopt rules pursuant to the Administrative Procedure Act for implementing and administering this program. The rules must establish application procedures for small employers, municipal corporations, and nonprofit corporations and associations to follow. Additionally, the rules must prescribe a method for determining the amount of any administrative fee, if one is charged under the program. (R.C. 124.824.)

Definitions

As used in the bill:

(1) "Eligible employee" means an employee employed in this state who works a normal work week of at least 25 hours and at least 40 weeks per year. "Eligible employee" does not include a temporary or substitute employee, or a seasonal employee who works only part of the calendar year on the basis of natural or suitable times or circumstances.

(2) "Small employer" means an employer who employed an average of 500 or fewer eligible employees in this state during the preceding calendar year and who employs 500 or fewer eligible employees on the first day of the plan year.

HISTORY

ACTION	DATE
Introduced	02-10-09

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