

HOUSE RESEARCH

Bill Summary

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Section

- 1 Exemption.** Requires the public employees insurance program (PEIP) to follow requirements contained in section 11 of this bill.
- 2 Proposal from school district; response required.** Requires the public employees insurance program (PEIP) to respond to a request for proposal (RFP) under section 2 of this bill from a school district within 60 days.
- 3 Board to fix compensation.** Prohibits board members and school district employees from receiving compensation or benefits based on incentives or other money provided to the school district by a source of group insurance coverage referenced in section 8 of this bill, except for a refund described in section 4 of this bill.
- 4 Insurance premium rebates.** Provides that if a school district receives a refund from its provider of health coverage, the school district must negotiate with the exclusive representative (union) regarding the proportionate number of insured lives covered by that exclusive representative. Specifies how this process must be handled if there is no exclusive representative or if the exclusive representative and the employer cannot come to an agreement.
- 5 Conflict of interest.** Provides that a charter school board member, employee, or officer is a local official for purposes of section 471.895 with regard to receipt of gifts as defined in section 10A.071, subdivision 1, paragraph (b). Prohibits a charter school board member, employee, or officer from receiving compensation from a group health insurance provider.
- 6 Employment and other operating matters.** Specifies how charter schools must purchase group health insurance coverage, using a sealed proposal process.

Section

- 7** **Collective bargaining.** Requires the board of directors of a charter school to comply with Minnesota Statutes, sections 471.6161 and 471.895, parts of which are included in sections 8 to 11 of this bill.
- 8** **Group insurance coverage.** Defines the term “group insurance coverage” to mean sources of coverage that include health plan companies, the public employee insurance program (PEIP), and service cooperatives.
- 9** **Request for proposal.** Requires school districts and other political subdivisions to request proposals from, and enter into contracts with, entities referenced in section 8.
- 10** **Selection of carrier.** Specifies how a political subdivision, including a school district, should select a source of group health insurance for its employees.
- 11** **School districts; group health insurance coverage.** Specifies the process for school districts to contract for group health insurance coverage. Requires school districts to request proposals 150 days before expiration of the existing contract, but not more frequently than once every 24 months. Prohibits contracts longer than two years unless the exclusive representative of the largest employee group and the school district agree otherwise. Includes certain requirements specific to selection of a self-insurance plan. Provides that a school district will not be considered self-insured solely through participation in a joint powers arrangement.
- 12** **Jointly.** Provides that a self-insurance pool operated by one or more service cooperatives shall not be considered self-insurance for purposes of section 11, subdivision 8, paragraph (f).
- 13** **Definitions.** Defines the term “local official” for purposes of gift ban laws. Includes a school board member, school superintendent, school principal, and a district school official of any independent school district.
- 14** **Effective date.** Makes all sections effective July 1, 2014.