

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
SENATE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 270

## 96TH GENERAL ASSEMBLY

0911S.02T

2011

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### AN ACT

To repeal sections 103.080 and 103.089, RSMo, and to enact in lieu thereof two new sections relating to the state employee health insurance program.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 103.080 and 103.089, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 103.080 and 103.089, to read as follows:

103.080. 1. As used in this section, the following terms shall mean:

2 (1) "Health savings account" or "account", shall have the same meaning ascribed to it  
3 as in 26 U.S.C. Section 223(d), as amended;

4 (2) "High deductible health plan", a policy or contract of health insurance or health care  
5 plan that meets the criteria established in 26 U.S.C. Section 223(c)(2), as amended, and any  
6 regulations promulgated thereunder.

7 2. Beginning with the open enrollment period for the 2009 plan year, the board shall  
8 offer to all qualified state employees and retirees, in addition to the plans currently offered  
9 including but not limited to health maintenance organization plans, preferred provider  
10 organization plans, copay plans, and participating public entities the option of receiving health  
11 care coverage through a high deductible health plan and the establishment of a health savings  
12 account. [In no instance shall a qualified employee or retiree be required to enroll in a high  
13 deductible health plan with a deductible greater than the minimum allowed by law, however, a  
14 qualified employee or retiree shall have the option to enroll in a high deductible health plan up  
15 to the maximum allowed by law.] The health savings account shall conform to the guidelines to  
16 be established by the Internal Revenue Service for the [2009] **current** tax year but in no case

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 shall a qualified employee or retiree be required to contribute more than the minimum amount  
18 allowed by law. A qualified employee or retiree may contribute up to the maximum allowed by  
19 law. In order for a qualified individual to obtain a high deductible health plan through the  
20 Missouri consolidated health care plan, such individual shall present evidence, in a manner  
21 prescribed by regulation, to the board that he or she has established a health savings account in  
22 compliance with 26 U.S.C. Section 223, and any amendments and regulations promulgated  
23 thereto.

24 **3. Beginning with the open enrollment period for the 2012 plan year, the high**  
25 **deductible health plan offered under subsection 2 of this section shall have monthly**  
26 **subscriber premiums that are materially lower than non-high deductible health plan**  
27 **monthly subscriber premiums with a goal of monthly subscriber premiums being at least**  
28 **fifty percent lower than non-high deductible health plan premiums. The amount of the**  
29 **annual deductible for the high deductible health plan offered under subsection 2 of this**  
30 **section shall be no greater than two hundred percent of the minimum annual deductible**  
31 **for self-only coverage and family coverage as established by the Internal Revenue Service**  
32 **for the current tax year. The coverage afforded by the high deductible health plan, after**  
33 **the applicable deductible has been met, shall be substantially similar or better than the**  
34 **average coverage provided by the non-high deductible health plans.**

35 **4. It is the intent of the Missouri general assembly to promote the use of consumer-**  
36 **driven health care plans such as health savings account compatible high deductible health**  
37 **plans by active state employees as an alternative to using traditional managed care plans.**  
38 **If, after the completion of the open enrollment period for the 2012 plan year, fewer than**  
39 **ten percent of Missouri's active state employees have enrolled in a high deductible health**  
40 **plan described in this section, then the board shall offer a more competitive high deductible**  
41 **health plan with increased financial and coverage incentives, including but not limited to**  
42 **alternative annual deductibles, out-of-pocket expenses, and other health plan design**  
43 **features, all within the established federal guidelines, with the goal of having forty percent**  
44 **of Missouri's active state employees enrolling in a health savings account compatible high**  
45 **deductible health plan by the open enrollment period for the 2015 plan year.**

46 **5. The board is authorized to promulgate rules and regulations for the administration and**  
47 **implementation of this section. Any rule or portion of a rule, as that term is defined in section**  
48 **536.010, that is created under the authority delegated in this section shall become effective only**  
49 **if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section**  
50 **536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the**  
51 **general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove**

52 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
53 and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

54 [4.] 6. The board shall issue a request for proposals from companies interested in  
55 offering a high deductible health plan in connection with a health savings account.

103.089. Participants in the program of medical benefits coverage provided by sections  
2 103.003 to 103.175 who are eligible for Medicare benefits and who are not eligible for the  
3 program of medical benefits coverage provided under sections 103.083 to 103.098 to be their  
4 primary plan of coverage benefits shall be provided [the same] **substantially similar** benefits  
5 provided participants who are not eligible for Medicare benefits. Medical benefits coverage  
6 provided under sections 103.003 to 103.175 shall be coordinated with Medicare benefits for  
7 participants covered by part A or part B, or both, of Medicare benefits, or **for participants**  
8 **eligible for but not covered by part A or part B, or both, of Medicare benefits**, reduced by  
9 an amount determined by the claims administrator to provide a benefit equivalent to the amount  
10 which would be provided on a coordination of benefit basis for **such** participants [not] **if such**  
11 **participants were** covered by part A or part B, or both, of Medicare benefits. As used in sections  
12 103.083 to 103.098, the term "Medicare benefits" shall include those medical benefits provided  
13 by Title XVIII, A and B, Public Law 89-97, 1965 amendments to the federal Social Security Act  
14 (42 U.S.C. section 301, et seq.) and amendments thereto. Any participating member agency  
15 having employees or eligible retirees not covered by Medicare shall authorize the plan at its  
16 option to enroll those individuals for medical benefits as provided by Title XVIII, A and B,  
17 Public Law 89-97, 1965 amendments to the federal Social Security Act whenever they become  
18 eligible for such benefits and the plan shall pay the premium for such enrollment on behalf of  
19 that person. The Medicare premium amounts shall be included in the rate established by the  
20 actuary for providing medical benefits coverage to such a participating member agency. Anyone  
21 not authorizing this Medicare enrollment shall be denied coverage.

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