

# Senate Study Bill 3079

## Bill Text

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1 1 Section 1. NEW SECTION. 19A.12F HEALTH INSURANCE  
1 2 ADMINISTRATION FUND.  
1 3 1. A special fund is created in the office of the  
1 4 treasurer of state, separate and apart from all other public  
1 5 moneys or funds of this state, to be known as the Iowa state  
1 6 health insurance administration fund, hereafter referred to as  
1 7 the fund. The fund shall consist of all moneys deposited in  
1 8 the fund from proceeds of a monthly per contract  
1 9 administrative charge assessed by the department of personnel  
1 10 and collected by the department of revenue and finance.  
1 11 Moneys deposited in the fund shall be expended by the  
1 12 department of personnel for health insurance program  
1 13 administration costs.  
1 14 2. A monthly per contract administrative charge shall be  
1 15 assessed by the department of personnel on all health  
1 16 insurance plans administered by the department in which the  
1 17 contract holder has a state employer to pay the charge. The  
1 18 amount of the administrative charge shall be established by  
1 19 the general assembly. The department of revenue and finance  
1 20 shall collect the administrative charge from each department  
1 21 utilizing the centralized payroll system and shall deposit the  
1 22 proceeds in the fund. In addition, the state board of  
1 23 regents, all library service areas, the state fair board, the  
1 24 state department of transportation, and each judicial district  
1 25 department of correctional services shall remit the  
1 26 administrative charge on a monthly basis to the department of  
1 27 revenue and finance and shall submit a report to the  
1 28 department of revenue and finance containing the number and  
1 29 type of health insurance contracts held by each of its  
1 30 employees whose health insurance is administered by the  
1 31 department of personnel.  
1 32 3. The expenditure of moneys from the fund in any fiscal  
1 33 year shall not exceed the amount of the monthly charge  
1 34 established by the general assembly multiplied by the number  
1 35 of health insurance contracts in effect at the beginning of  
2 1 the same fiscal year in which the expenditures shall be made.  
2 2 Any unencumbered or unobligated moneys in the fund at the end  
2 3 of the fiscal year shall not revert but shall be transferred  
2 4 to the health insurance premium reserve fund established  
2 5 pursuant to section 509A.5.  
2 6 Sec. 2. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION  
2 7 CHARGE. For the fiscal year beginning July 1, 2002, and  
2 8 ending June 30, 2003, the monthly per contract administrative  
2 9 charge which may be assessed by the department of personnel  
2 10 pursuant to section 19A.12F shall be two dollars per contract  
2 11 on all health insurance plans administered by the department.  
2 12 EXPLANATION  
2 13 This bill establishes a health insurance administration  
2 14 fund within the state treasurer's office which shall be used  
2 15 by the department of personnel to pay health insurance program  
2 16 administration costs on health insurance plans administered by  
2 17 the department. The bill provides for the establishment of a  
2 18 monthly administrative charge which shall be assessed on all  
2 19 health insurance plans administered by the department of  
2 20 personnel in which a state employer can pay the charge. The  
2 21 department of revenue of finance shall collect the fee and

2 22 deposit the moneys in the fund. The bill provides that the  
2 23 general assembly shall establish the maximum monthly charge  
2 24 per employee. In addition, the bill provides that the  
2 25 expenditure of moneys by the department of personnel from the  
2 26 fund shall not exceed an amount equal to the monthly charge  
2 27 multiplied by the number of individual health insurance  
2 28 contracts in effect at the beginning of the fiscal year. The  
2 29 bill further provides that any moneys remaining in the fund at  
2 30 the end of a fiscal year shall not revert to the general fund  
2 31 but shall be transferred to the health insurance premium  
2 32 reserve fund established pursuant to Code section 509A.5.  
2 33 The bill also establishes the administrative charge for the  
2 34 fiscal year beginning July 1, 2002, at \$2 per contract.  
2 35 LSB 5341DP 79  
3 1 ec/cls/14.1