

House File 2029 - Introduced

HOUSE FILE 2029
BY BOSSMAN

A BILL FOR

1 An Act relating to health care coverage of public school district
2 personnel under the state health insurance plan, providing
3 fees, making appropriations, and including effective date
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **8A.471 Definitions.**

2 As used in this part, unless the context otherwise requires:

3 1. "Nonstate public employee" means an employee or elected
4 official of a public school district.

5 2. "State health or medical group insurance plan" or "state
6 plan" means a health or medical group insurance plan for
7 employees of the state.

8 Sec. 2. NEW SECTION. **8A.472 Nonstate public employees —**
9 **coverage.**

10 1. Nonstate public employees may obtain coverage under the
11 state plan in accordance with this section.

12 2. A public school district may submit an application to the
13 department for coverage under the state plan of all of the public
14 school district's nonstate public employees. If a public school
15 district submits such an application for coverage, the department
16 shall provide such coverage no later than the first day of the
17 third calendar month following such application.

18 3. Premium rates for public school districts shall be the
19 total premium rate paid by the state inclusive of any premiums
20 paid by state employees for the particular state health care
21 product offered by the state plan.

22 Sec. 3. NEW SECTION. **8A.473 Premium payments —**
23 **administrative fees.**

24 1. A public school district participating in the state plan
25 shall pay the monthly amount determined by the department, for
26 coverage of its employees or elected officials as appropriate
27 under the state plan. A public school district may require
28 each covered employee or elected official to contribute a portion
29 of the cost of such coverage under the state plan, subject to
30 any collective bargaining obligation applicable to the public
31 school district. If any payment due by a public school district
32 under this section is not timely paid, after the due date
33 interest shall be added to such payment at the prevailing rate of
34 interest, as determined by the department. Such interest shall
35 be paid by the public school district.

1 2. The department shall charge a public school district
2 participating in the state plan an administrative fee calculated
3 on a per-month basis per covered employee or elected official.

4 3. Payments made pursuant to this section shall be deposited
5 in the Iowa health care coverage partnership program trust fund
6 created in section 8A.474.

7 4. If a public school district fails to make premium payments
8 as required under this section, the department may direct the
9 treasurer of state, or any other office of the state that is the
10 custodian of any moneys made available by reason of any grant,
11 allocation, or appropriation by the state or state agencies
12 payable to the public school district at any time subsequent
13 to the failure of the public school district, to pay such
14 premiums and interest that are due and unpaid and to withhold
15 payment of moneys payable to the public school district until
16 the amount of the premiums and interest then due and unpaid by
17 the public school district has been paid to the state or until
18 the treasurer of state determines that arrangements, satisfactory
19 to the treasurer of state, have been made for the payment of
20 such premiums and interest. However, such moneys shall not be
21 withheld from a public school district if such withholding will
22 adversely affect the receipt of any federal grant or aid in
23 connection with such moneys.

24 Sec. 4. NEW SECTION. **8A.474 Iowa health care coverage**
25 **partnership program trust fund.**

26 1. An Iowa health care coverage partnership program trust
27 fund is created in the state treasury under the control of the
28 department. The trust fund shall consist of all moneys deposited
29 in the fund and other assets that must be held in trust and
30 is appropriated to the department for the exclusive benefit of
31 nonstate public employees covered under the state plan, including
32 for payment of insurance premiums and administrative fees for
33 nonstate public employees covered under the state plan.

34 2. The director is the trustee of the fund and shall
35 administer the fund. Any loss to the fund shall be charged

1 against the trust and the director shall not be personally liable
2 for such loss.

3 3. Moneys in the fund are not subject to section 8.33.
4 Notwithstanding section 12C.7, subsection 2, interest or earnings
5 on moneys in the fund shall be credited to the fund.

6 Sec. 5. NEW SECTION. **8A.475 Rules.**

7 The department, by rule, shall develop procedures for the
8 implementation and administration of the provisions contained in
9 this part.

10 Sec. 6. NEW SECTION. **8A.476 Reporting.**

11 On or before December 31 of each year, the department shall
12 submit to the governor and general assembly a report on the
13 health care coverage provided to nonstate public employees,
14 detailing costs, enrollment metrics, operational efficiency, and
15 stakeholder feedback, including the financial and operational
16 impact of the expanded enrollment eligibility for state health or
17 medical group insurance plans, including overall cost savings for
18 members and the state.

19 Sec. 7. EFFECTIVE DATE. This Act takes effect July 1, 2027.

20 **EXPLANATION**

21 The inclusion of this explanation does not constitute agreement with
22 the explanation's substance by the members of the general assembly.

23 This bill allows employees and elected officials of a
24 public school district to apply for coverage and enroll in
25 a state health or medical group insurance plan provided to
26 state employees by the department of administrative services
27 (DAS). Premium payments for coverage received through a state
28 plan must be the same as for state employees, including any
29 premiums paid by state employees.

30 Each public school district that participates in a state
31 health or medical group insurance plan must pay monthly premium
32 amounts for coverage to DAS, plus administrative fees calculated
33 on a per-month basis per employee or elected official. A public
34 school district may require each covered employee or elected
35 official to contribute a portion of the cost of such coverage

1 under the state plan, subject to any collective bargaining
2 obligations. The payments are to be deposited in the Iowa health
3 care coverage partnership program trust fund, created in the
4 bill, and expended for coverage being provided to the covered
5 employees or elected officials.

6 If monthly premium payments are not made, DAS may charge
7 interest on the unpaid balance. If a public school district
8 fails to make premium payments, DAS may direct the treasurer of
9 state or other state entity to withhold grants, allocations, or
10 appropriations payable to the public school district, until the
11 premium payments are made.

12 The bill requires DAS to submit an annual report to the
13 governor and the general assembly on the health care coverage
14 provided to nonstate public employees.

15 The bill takes effect July 1, 2027.

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