

**Senate File 2102 - Introduced**

SENATE FILE 2102

BY DONAHUE

**A BILL FOR**

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

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

unofficial

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 who is not part of a  
5 bargaining unit guaranteed the right to negotiate the terms of  
6 health insurance coverage under section 20.9.

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

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

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

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

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

24 Sec. 3. NEW SECTION. **8A.473 Premium payments —**  
25 **administrative fees.**

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

1 interest, as determined by the department. Such interest shall  
2 be paid by the public school district.

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

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

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

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

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

1 2. The director is the trustee of the fund and shall  
2 administer the fund. Any loss to the fund shall be charged  
3 against the trust and the director shall not be personally liable  
4 for such loss.

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

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

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

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

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

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

22 **EXPLANATION**

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

25 This bill allows employees and elected officials of a public  
26 school district who are not part of a bargaining unit guaranteed  
27 the right to negotiate the terms of health insurance coverage  
28 under Code section 20.9 (public employment relations Act —  
29 scope of negotiations) to apply for coverage and enroll in  
30 a state health or medical group insurance plan provided to  
31 state employees by the department of administrative services  
32 (DAS). Premium payments for coverage received through a state  
33 plan must be the same as for state employees, including any  
34 premiums paid by state employees.

35 Each public school district that participates in a state

1 health or medical group insurance plan must pay monthly premium  
2 amounts for coverage to DAS, plus administrative fees calculated  
3 on a per-month basis per employee or elected official. A public  
4 school district may require each covered employee or elected  
5 official to contribute a portion of the cost of such coverage  
6 under the state plan, subject to any collective bargaining  
7 obligations. The payments are to be deposited in the Iowa health  
8 care coverage partnership program trust fund, created in the  
9 bill, and expended for coverage being provided to the covered  
10 employees or elected officials.

11 If monthly premium payments are not made, DAS may charge  
12 interest on the unpaid balance. If a public school district  
13 fails to make premium payments, DAS may direct the treasurer of  
14 state or other state entity to withhold grants, allocations, or  
15 appropriations payable to the public school district, until the  
16 premium payments are made.

17 The bill requires DAS to submit an annual report to the  
18 governor and the general assembly on the health care coverage  
19 provided to nonstate public employees.

20 The bill takes effect July 1, 2027.