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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 3175

03/01/2018 Authored by Theis; Anderson, S.; Newberger and Gruenhagen
The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act
1.2 relating to state government; allowing state employees to receive cash payment
1.3 for opting out of hospital and medical benefits; amending Minnesota Statutes 2017
1.4 Supplement, section 43A.24, subdivision 1a.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2017 Supplement, section 43A.24, subdivision 1a, is amended
1.7 to read:

1.8 Subd. 1a. **Opt out.** (a) An individual eligible for state-paid hospital, medical, and dental
1.9 benefits under this section has the right to decline those benefits, provided the individual
1.10 declining the benefits can prove health insurance coverage from another source. Any
1.11 individual declining benefits must do so in writing, signed and dated, on a form provided
1.12 by the commissioner.

1.13 (b) The commissioner must create, and make available in hard copy and online a form
1.14 for individuals to use in declining state-paid hospital, medical, and dental benefits. The form
1.15 must, at a minimum, include notice to the declining individual of the next available
1.16 opportunity and procedure to re-enroll in the benefits.

1.17 (c) An individual declining hospital and medical insurance benefits under this chapter
1.18 is eligible for a yearly cash payment equal to 25 percent of the cost the state would have
1.19 paid toward those benefits. The commissioner must establish a system for tracking and
1.20 paying this yearly payment. Payments under this paragraph are not considered wages for
1.21 the purposes of calculating overtime pay.

1.22 ~~(e)~~ (d) No later than January 15 of each year, the commissioner of management and
1.23 budget must provide a report to the chairs and ranking minority members of the legislative

- 2.1 committees with jurisdiction over state government finance on the number of employees
- 2.2 choosing to opt-out of state employee group insurance coverage under this section. The
- 2.3 report must provide itemized statistics, by agency, and include the total amount of savings
- 2.4 accrued to each agency resulting from the opt-outs.