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LC01289/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2009

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A N A C T

RELATING TO INSURANCE -- TEACHERS' HEALTH INSURANCE

Introduced By: Representatives McNamara, Gallison, and Malik

Date Introduced: February 25, 2009

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-9.3-2 of the General Laws in Chapter 28-9.3 entitled "Certified
2 School Teachers' Arbitration" is hereby amended to read as follows:

3 **28-9.3-2. Right to organize and bargain collectively.** -- (a) The certified teachers in the
4 public school system in any city, town, or regional school district have the right to negotiate
5 professionally and to bargain collectively with their respective school committees and to be
6 represented by an association or labor organization in the negotiation or collective bargaining
7 concerning hours, salary, working conditions, and all other terms and conditions of professional
8 employment.

9 (b) For purposes of this chapter, "certified teachers" means certified teaching personnel
10 employed in the public school systems in the state of Rhode Island engaged in teaching duties,
11 including support personnel whose positions require a professional certificate issued by the state
12 department of education and personnel licensed by the department of health; or other non-
13 administrative professional employees.

14 (c) Superintendents, assistant superintendents, principals, and assistant principals, and
15 other supervisors above the rank of assistant principal, are excluded from the provisions of this
16 chapter.

17 (d) Notwithstanding the provisions of subsection (a), collective bargaining agreements
18 shall not provide for benefits for health care ("benefit plans") for certified employees unless such
19 benefit plans are authorized in accordance with chapter 27-72. Active employees whose

1 collective bargaining agreements expire on or after July 1, 2010 shall, upon expiration of such
2 collective bargaining agreements, receive coverage under benefit plans authorized in accordance
3 with chapter 27-72.

4 SECTION 2. Section 28-9.4-3 of the General Laws in Chapter 28-9.4 entitled "Municipal
5 Employees' Arbitration" is hereby amended to read as follows:

6 **28-9.4-3. Right to organize and bargain collectively.** – (a) The municipal employees of
7 any municipal employer in any city, town, or regional school district shall have the right to
8 negotiate and to bargain collectively with their respective municipal employers and to be
9 represented by an employee organization in the negotiation or collective bargaining concerning
10 hours, salary, working conditions, and all other terms and conditions of employment.

11 (b) Notwithstanding the provisions of subsection (a), for those municipal employees who
12 are employed by school districts, collective bargaining agreements shall not provide for benefits
13 for health care ("benefit plans") for school district employees unless such benefit plans are
14 authorized in accordance with chapter 27-72. School district employees whose collective
15 bargaining agreements expire on or after July 1, 2010 shall, upon expiration of such collective
16 bargaining agreements, receive benefit plans authorized in accordance with chapter 27-72.

17 SECTION 3. Title 27 of the General Laws entitled "INSURANCE" is hereby amended
18 by adding thereto the following chapter:

19 CHAPTER 72

20 RHODE ISLAND PUBLIC SCHOOL EMPLOYEE UNIFORM BENEFIT ACT

21 **27-72-1. Title and purpose.** – (a) This chapter shall be known and may be cited as the
22 “Rhode Island Public School Employee Uniform Benefit Act.”

23 (b) The purpose of this chapter is to create uniform medical and prescription drug benefit
24 plan designs for Rhode Island school district and charter school employees.

25 **27-72-2. Program implementation.** – (a) Upon implementation of the uniform health
26 care benefit plan designs or at such other time as specified herein or as specified in sections 28-9-
27 3.2 and 28-9.4-3, all public school districts and charter schools shall implement one or more
28 benefit plan design(s) authorized in accordance with this chapter.

29 (b) Upon expiration of collective bargaining agreements, only benefit plan designs
30 approved by the board in accordance with this chapter may be specified in future collective
31 bargaining agreements.

32 (c) Choice of benefit plan designs from those approved in accordance with section 27-72-
33 4, medical insurance cost-sharing, payment for waiving medical insurance, eligibility for
34 receiving benefits, and providing benefits for retirees shall continue to be negotiated pursuant to

1 sections 28-9-3 and 28-9-4.

2 (d) Each municipality, district or charter school, may, at its discretion, contract for and
3 manage benefit plans under this chapter, either directly or indirectly, through municipal, district
4 or charter arrangements with insurance purchasing collaboratives or joint purchasing groups.

5 **27-72-3. Board of directors established.** – (a) There is established the board of directors
6 of the Rhode Island uniform public school employees' health care benefits program ("board").

7 (b) The board shall consist of twelve (12) members, as follows:

8 (1) Two (2) members shall be appointed by the president of the Rhode Island Federation
9 of Teachers and Health Professionals and may be active or retired teachers or officials from the
10 union;

11 (2) Two (2) members shall be appointed by the president of the National Education
12 Association of Rhode Island, and may be active or retired teachers or officials from the union;

13 (3) One member shall be appointed by the president of RI Council 94 of the American
14 Federation of State, County and Municipal Employees;

15 (4) One member shall be appointed by the president of the Laborers International Union
16 of North America;

17 (5) Two (2) members shall be appointed by the president of the Rhode Island Association
18 of School Committees;

19 (6) Two (2) members shall be appointed by the Rhode Island School Superintendents'
20 Association;

21 (7) Two (2) members shall be appointed by the president of the Rhode Island Association
22 of School Business Managers; and

23 (c) Each appointing authority may remove or replace any member appointed by that
24 appointing authority at any time.

25 (d) Members of the board shall serve without compensation.

26 (e) The board shall be initially convened by the Rhode Island department of education on
27 or before September 15, 2009.

28 (f) A technical advisory committee to the board shall be created concurrently with the
29 board. The advisory committee shall receive adequate notice to be in attendance and to provide a
30 report at each of the board meetings. The advisory committee shall be composed of one
31 representative of each of the following: the department of elementary and secondary education,
32 the department of administration, the League of Charter Schools and each of the municipal
33 insurance purchasing collaboratives. The department of administration representative shall serve
34 as chair and convener of the advisory committee.

1 **27-72-4. Powers, duties, and functions of the board.** – (a) The board shall have the
2 following powers, duties and functions relative to active full-time certified employees pursuant to
3 section 28-9.3-2, and active full-time school district employees pursuant to section 28-9.4-3:

4 (1) To design and approve, with input and recommendations from the technical advisory
5 committee, medical benefits plan designs and prescription drug coverage plan designs in
6 accordance with the following:

7 (i) To design at least six (6) uniform benefit plan designs for all Rhode Island public
8 school employees.

9 (ii) Benefit plan designs shall include at least one managed care option, at least four (4)
10 preferred provider organization (PPO) options, and at least one health savings account (HSA)
11 compatible high deductible health plan (HDHP) option.

12 (iii) The actuarial value of any of the approved benefit plan designs may not be greater
13 than the actuarial value of the state employee health plan in effect as of the date the plan designs
14 are approved.

15 (iv) The PPO options shall reflect four (4) different levels of plan design, with a
16 minimum actuarial difference between each of the plan designs of seven and one-half percent
17 (7.5%).

18 (v) The actuarial value of the lowest board-approved benefit plan design shall not be
19 greater than the actuarial value of the public school employee benefit plan design with the lowest
20 actuarial value in effect in the state on January 1, 2010.

21 (b) To monitor the implementation of the uniform benefit plan designs and to recommend
22 modifications to such benefit plan designs as appropriate.

23 (c) To report to the governor and general assembly on or before April 15, 2010, with
24 recommendations on the means, feasibility and benefits of developing a statewide health benefit
25 purchasing arrangement for public school employees.

26 **27-72-5. Officers, quorum, meetings.** – (a) The board shall elect from its own
27 membership such officers as it sees fit;

28 (b) Seven (7) members of the board in office shall constitute a quorum;

29 (c) Decisions of the board shall be made by a majority vote of the members present;

30 (d) Meetings may be called by the chair, or at the written request of four (4) members;

31 (e) The board shall hold regular meetings at least once every month, and those meetings
32 shall be open to the public in accordance with chapter 42-46 ("Open Meetings").

33 SECTION 4. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- TEACHERS' HEALTH INSURANCE

1 This act would establish a board of directors of the Rhode Island uniform public school
2 employees' health care benefits program. The purpose of this board would be to design and
3 approve multiple benefit plan designs allowing for group purchasing of health, dental and vision
4 insurance for Rhode Island teachers.

5 This act would take effect upon passage.

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