

IN THE SENATE

SENATE BILL NO. 1106

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO PERSONNEL SYSTEM; PROVIDING LEGISLATIVE INTENT; AMENDING CHAP-
2 TER 53, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-5344,
3 IDAHO CODE, TO PROVIDE FOR HEALTH SAVINGS ACCOUNTS FOR STATE EMPLOYEES
4 WHO CHOOSE A HIGH DEDUCTIBLE HEALTH PLAN, TO DEFINE TERMS, TO PROVIDE
5 FOR DEPOSITS INTO HEALTH SAVINGS ACCOUNTS BY EMPLOYERS, TO PROVIDE FOR
6 CONTRIBUTION OF FUNDS TO A HEALTH SAVINGS ACCOUNT BY STATE EMPLOYEES AND
7 TO AUTHORIZE THE DIVISION OF HUMAN RESOURCES TO PROMULGATE RULES.
8

9 Be It Enacted by the Legislature of the State of Idaho:

10 SECTION 1. LEGISLATIVE INTENT. It is the intent of the Legislature to
11 encourage, facilitate and fund health savings accounts for employees of the
12 State of Idaho who are enrolled in a high deductible health plan. By encour-
13 aging state employees to create a health savings account, they will be empow-
14 ered to make sound, responsible decisions and better manage their own medi-
15 cal care.

16 SECTION 2. That Chapter 53, Title 67, Idaho Code, be, and the same is
17 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
18 ignated as Section 67-5344, Idaho Code, and to read as follows:

19 67-5344. STATE CONTRIBUTION TO STATE EMPLOYEE HEALTH SAVINGS AC-
20 COUNTS. (1) All state officers or employees may, for themselves and their
21 eligible dependents, create and maintain a health savings account and choose
22 a high deductible health plan in accordance with the provisions of this sec-
23 tion.

24 (2) As used in this section:

25 (a) "Employer premium" means the costs to the state of Idaho for a pol-
26 icy of group insurance procured by the department of administration.

27 (b) "Health savings account" means an account at a financial institu-
28 tion that is designed to help individuals save for future health care
29 expenses pursuant to 26 U.S.C. section 223.

30 (c) "High deductible health plan" means a health plan qualifying for
31 use with a health savings account pursuant to 26 U.S.C. section 223, and
32 offered by the department of administration to eligible state officers
33 and employees.

34 (3) State officers or employees who choose a high deductible health
35 plan for themselves and their eligible dependents shall qualify for the
36 deposits provided for in subsection (4) of this section. Such officers or
37 employees shall establish and create a health savings account and provide
38 information concerning such account to their employer.

39 (4) For each pay period, the employer shall deposit the difference be-
40 tween the employer premium for a state of Idaho high deductible health plan
41 and the employer premium of the lowest deductible group health plan offered

1 by the department of administration in the health savings account estab-
2 lished and created by an officer or employee enrolled in a state of Idaho high
3 deductible health plan. Deposits made pursuant to this subsection shall
4 not exceed the United States internal revenue service's maximum allowable
5 contribution to a health savings account.

6 (5) Nothing in this section shall prohibit state officers or employees
7 with a health savings account from contributing to such account of their own
8 accord.

9 (6) The division of human resources may promulgate rules to implement
10 the provisions of this section.