

MICHIGAN PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT

In 2011 the Michigan Legislature passed the Publicly Funded Health Insurance employer's expenditures for employee medical benefit plans while also providing for exemptions to the limits. A 2/3 majority vote of the SWMPC board is required to pass an exemption to the Act. Additionally, if exemptions are to be applied they must be passed annually.

For the previous budgets beginning in 2012, the SWMPC board passed exemptions to the Act along with the submission of its annual budget.

Two options are provided within the Act:

Hard Cap:

- \$5,500 times the number of employees with single coverage, plus
- \$11,000 times the number of employees with two person coverage, plus
- \$15,000 times the number of employees with family coverage.

The remaining 20% of the cost is to be recovered through payments by the employees.

The 80/20 Plan:

The SWMPC could elect not to pay more than 80% of the total annual cost of the medical benefit plans it offers, without regard to how much that means per employee with single, double, or family coverage.

The SWMPC 2019 Budget Proposal

With the latest changes to the SWMPC Bylaws, the budget is not due to be submitted to the Commission until the first meeting of the new fiscal year (February 2019). Since the insurance waiver is required before the new year, the budget will be prepared following the Commission's action in December.

Previous SWMPC budgets have been based on a two percent employee premium co-pay for health insurance (health, HSA, dental, vision, disability, life)