October 2011

This year's Municipal Health Insurance Reform Legislation & Regulations present new opportunities for municipalities to make health insurance changes. This chart outlines the basic steps and timing you must follow to adhere to the current legislation and regulations.

Getting Started

- Notice of intention to vote on adoption of Sections 21-23.
 - Send notice to Collective Bargaining Unit (CBU) presidents and Retired State County and Municipal Employees (RSCME), at least *two days* prior to vote by body authorized to accept.
- 2. Vote to accept Sections 21-23 (no time limit).
- **Provide IAC with 52.03 NOTICE** that includes proposed changes, estimated savings from changes and mitigation proposal.
- Send written Notice of Appropriate Public Authority's (APA) decision to proceed to president of each CBU and RSCME within two days after meeting with IAC or ten days after IAC's receipt of notice, whichever occurs earlier.

If a Public Employee Committee (PEC) already exists, then each CBU and RSCME provides contact information for its designee to APA within *2 business days* of receipt of NOTICE.

If a PEC doesn't exist, then each CBU and RSCME provides contact information for its designee to APA within *five business days* of receipt of NOTICE.

Deliver 52.03 NOTICE to each PEC member within *two business days* of APA's receipt of contact information.

Thirty-Day Negotiation Period

(This commences when every member of PEC has received 52.03 Notice.)

- 1 Provide notice to Secretary of Administration & Finance (A & F) and each member of PEC of the start and end dates for thirty-day negotiation period and contact information for APA's designee to Review Panel within *three business days* after starting date of negotiation period.
- **PEC selects Review Panel designee and notifies Secretary of A & F and APA of selection** within *three business days* of receiving APA's notice.
- **Secretary of A & F provides list of three candidates for Panel chair** within ten days of receipt of PEC's designation.
- 4 APA and PEC must agree upon third member in *three days* and notify Secretary of A & F of selection. (If no agreement, APA notifies Secretary.)

The Secretary of A & F makes an appointment of the third member no later than the *end of the thirty-day negotiation period*.



Panel Process (This commences if parties are unable to reach written agreement within thirty-day negotiation period.)

- 1 APA submits original proposal to Panel and PEC submits alternate mitigation proposal, plus any other information, within three business days after end of thirty-day negotiation period.
- Impartial third member fixes time, date and place for Panel to convene first meeting, within two business days after receipt of APA's original proposal.

Currently, there is *no time limit* within which first meeting must be scheduled by Panel.

- Panel determines whether plan design changes exceed dollar amounts for benchmark GIC plans. If not, must approve implementation of proposed changes within *ten days* of convening Panel's first meeting.
- 4. Panel shall confirm (or decline to confirm) APA's estimated monetary savings due to proposed § 22 or § 23 changes and review the mitigation proposal(s) within ten calendar days of Panel's receipt of proposed changes.

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Implementation

- **APA must provide subscribers with at least** *sixty-days notice* of any plan design changes or transfer of subscribers to GIC prior to implementation.
- 2. Sixty-days notice period cannot begin until a written agreement is signed or a Panel decision is issued.
- 3. Implementation of plan design changes must occur within ninety days after a written agreement is signed or a Panel decision is issued unless APA and PEC mutually agree to defer implementation until the end of the health insurance policy year.

Disclosure: Please refer to 801 CMR 52.00 Municipal Health Insurance Regulations for additional details. These are interim, emergency regulations and subject to change.