**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 9, CHAPTER 11, TITLE 1 SO AS TO ESTABLISH A STATE HEALTH INSURANCE PLAN FOR NONSTATE EMPLOYEE INDIVIDUALS AND TO PROVIDE THAT EVERY RESIDENT OF SOUTH CAROLINA WHO FILES A STATE TAX RETURN IS ELIGIBLE TO PARTICIPATE IN THE PLAN; TO REQUIRE THE STATE BUDGET AND CONTROL BOARD TO ADMINISTER THE PLAN AND TO ESTABLISH RATES FOR THE PREMIUMS; PREMIUMS PAID INTO THIS PLAN MUST NOT BE COMINGLED WITH STATE EMPLOYEES’ HEALTH INSURANCE PREMIUMS, AND TO REQUIRE BOTH PLANS TO OPERATE INDEPENDENTLY OF EACH OTHER; TO AUTHORIZE PARTICIPANTS TO OPT OUT OR IN EACH CALENDAR YEAR; AND TO REQUIRE PARTICIPANTS TO PAY INTO THE SYSTEM THE FIRST YEAR BUT NOT RECEIVE INSURANCE BENEFITS IN ORDER TO COLLECT PREMIUMS AND CREATE AN ESCROW ACCOUNT FROM WHICH TO ADMINISTER THE PROGRAM.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 11, Title 1 of the 1976 Code is amended by adding:

“Article 9

Nonstate Employee Health Insurance Plan

Section 1‑11‑1410. (A) There is established the State Health Insurance Plan for Nonstate Employees. A resident of this State who files a state income tax return is eligible to participate in the plan, which must be administered by the State Budget and Control Board and which must include, but is not limited to, establishing rates for premiums. Premiums paid into this plan must not be comingled with premiums paid into the State Employees Health Insurance Plan, and both plans must be operated independently of each other.

(B) Participants in the plan may opt out or in each calendar year and shall pay into the system the first year but not receive insurance benefits in order to collect premiums and to create an escrow account from which to administer the program.”

SECTION 2. This act takes effect upon approval by the Governor.

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