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**GOVERNMENT CODE - GOV**

**TITLE 5. LOCAL AGENCIES [50001 - 57607]** ( Title 5 added by Stats. 1949, Ch. 81. )

**DIVISION 2. CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 55821]** ( Division 2 added by Stats. 1949, Ch. 81. )

**PART 1. POWERS AND DUTIES COMMON TO CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 54999.7]** ( Part 1 added by Stats. 1949, Ch. 81. )

**CHAPTER 2. Officers and Employees [53200 - 53299]** ( Chapter 2 added by Stats. 1949, Ch. 81. )

**ARTICLE 1.6. Health Insurance Purchasing Alliance [53225 - 53225.2]** ( Article 1.6 added by Stats. 1993, Ch. 199, Sec. 1. )

**53225.** (a) The Health Insurance Purchasing Alliance Program is hereby authorized. The program shall be administered by the Board of Directors of the Health Insurance Purchasing Alliance Program pursuant to this article.

(b) The governing bodies of any two or more counties that maintain a county retirement system pursuant to Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 may, after notifying and consulting with all other counties that maintain county retirement systems pursuant to that chapter, elect, by resolution, to form or to participate in, subject to the time limitations set forth in subdivision (c), the program and to appoint one county officer as a member of the board of directors. In any county maintaining a retirement system pursuant to Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 in which the county board of retirement has elected, pursuant to Section 31691, 31691.1, or 31694.1, to make contributions for health benefits coverage of retirees and their dependents, the election shall be exercised jointly by the board of supervisors of the county and the county board of retirement. In any county of the first class, as defined by Section 20820, as amended by Chapter 1204 of the Statutes of 1971, and Section 20822, as amended by Chapter 43 of the Statutes of 1961, the resolution shall be initiated by the county board of retirement. The county board of supervisors shall contribute a reasonable amount of funds to pay its share of the initial startup costs and the administrative costs of the program.

(c) Once the board of directors has put into operation a health insurance contract year, any county maintaining a county retirement system pursuant to Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3, city, or district that desires to participate in the program may elect, by resolution, adopted at least one year prior to the commencement of the next insurance contract year, to participate in the program. Each city and district that elects to participate may appoint one of its officers as a member of the Advisory Committee to the board of directors. The governing body of the participating public agency shall contribute a reasonable amount of funds, as determined by the board of directors, to pay its share of the initial startup costs and the administrative costs of the program.

(d) Each county, city, or district that elects to participate in the program shall:

- (1) Furnish to the alliance such employee information as the board of directors may determine to be necessary.
- (2) Provide to its eligible employees and retirees and their dependents only the health insurance plans offered by the alliance.
- (3) Make the selected health insurance plans offered by the alliance available to all their eligible employees and retirees and their eligible dependents.
- (4) Carry out the purposes of the program and pay its share of the initial startup costs.
- (5) Abide by the rules and regulations adopted by the board of directors and all applicable state and federal rules and regulations.

(e) The board of directors may, within 180 days of receipt of an application to participate, reject the application of any city or district.

(f) A request to withdraw from the alliance shall be submitted in writing at least one year prior to the end of the health insurance contract year after which coverage is no longer desired.

(g) The board of directors may, after giving one year's advance written notice, terminate a participating public agency for cause pursuant to the rules and regulations.

*(Added by Stats. 1993, Ch. 199, Sec. 1. Effective January 1, 1994.)*

**53225.1.** The board of directors shall:

- (a) Negotiate and enter into contractual arrangements with health care insurance providers to provide health benefits coverage for the eligible employees and retirees of participating public agencies and their eligible dependents.
- (b) Act upon the requests of counties, cities, and districts to participate in the program.
- (c) Gather, compile, and furnish such information as may be needed by the health care insurance providers for premium computation purposes.
- (d) Analyze federal and state laws and regulations to assure that the health benefits coverage plans being made available and the operations of the program comply with those statutes and regulations.
- (e) Provide appropriate consumer information for use by the participating public agencies during the annual open enrollment periods.
- (f) Monitor the utilization of the plans by the participating public agencies for cost effectiveness and potential fraud and abuse, and to assure that the needs of those agencies are being met.
- (g) Adopt, after the expiration of a reasonable review and comment period, such rules and regulations as may be necessary to provide for the effective operation of the program, including defining of the eligibility of employees and retirees and their dependents to participate in the program.
- (h) Employ such staff and consultants, either directly or by contract, as may be reasonably necessary to carry out the program.
- (i) Make copies of its proposed budget available to the board of supervisors of all participating counties for review and comment prior to the adoption of the budget.
- (j) Establish, in conjunction with the adoption of the annual budget, a schedule of fees and charges for the equitable distribution of the program operating expenses among the participating public agencies.

*(Added by Stats. 1993, Ch. 199, Sec. 1. Effective January 1, 1994.)*

**53225.2.** The Advisory Committee shall provide the board advice and assistance in determining the health insurance coverage needs of the participating public agencies and in the adoption of rules and regulations.

*(Added by Stats. 1993, Ch. 199, Sec. 1. Effective January 1, 1994.)*