

(S. B. 1198)

(No. 16-2015)

(Approved February 19, 2015)

AN ACT

To amend subsection (b) of Section 3, and subsection (a) of Section 4 of Act No. 95 of June 29, 1963, as amended, known as the “Public Employees Health Benefits Act,” in order to empower the Superintendent of the Puerto Rico Police in conjunction with bona fide employee attached to the Puerto Rico Police to negotiate and enter into contracts with health insurance plans for employees and police officers who voluntarily choose to avail themselves of the health insurance plan provided by a private insurer.

STATEMENT OF MOTIVES

Act No. 95 of June 29, 1963 establishes a health benefit and hospitalization plan for the employees of the Commonwealth of Puerto Rico, an initiative that for the past fifty years has been responsible for making private health insurance available to thousands of our public employees. Said Act provides that the Puerto Rico Health Insurance Administration is the entity empowered to negotiate and enter into contacts with health insurance companies for the benefit of the employees of various agencies of the Government’s Executive Branch in order to establish a centralized structure to negotiate and obtain the best conditions when contracting health insurance plans.

Initially, said statute only excluded employees and officials of the University of Puerto Rico and public corporations. However, the Fourteenth Legislative Assembly approved Act No. 324-2003 to broaden the exceptions applicable to this statute and include the Judicial Branch among the entities authorized to enter into contracts with health insurers, without being subject to the negotiations conducted by the Central Government.

Subsequently, by virtue of Act No. 11-2010, the members of the Legislative Assembly were included in the scope of such exception by empowering the Presiding Officers of the Legislative Bodies to enter into contracts directly with a health insurance plan for the benefit of the employees. Lastly, Acts Nos. 276-2011 and 280-2012 were approved in order to exclude employees of the Office of the Comptroller and the Office of the Ombudsman, respectively, from the Government's annual negotiations.

In this manner, the officials and employees of such institutions may benefit from more competitive coverages, which are the result of direct negotiations with contracting insurers based on the principle of exclusive collective bargaining and on the employees' socio-demographic profile, as an incentive to access this statutory right. For such reason, this Legislative Assembly deems it imperative to broaden this rule and include members of the Police, to allow them to negotiate and enter into contracts directly with health insurance plans for the benefit of officers and employees of this Agency. In doing so, the Superintendent of the Police may negotiate a more attractive coverage, at a lower cost, thus promoting better health care and hospital services for our Police officers, who are the professionals responsible for guaranteeing citizen's safety.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF PUERTO RICO:

Section 1.- Subsection (b) of Section 3 of Act No. 95 of June 29, 1963, as amended, is hereby amended to read as follows:

“Section 3.- When used in this Act, the following terms shall have the meaning stated below:

(a) ...

(b) ‘Employee’.- Any appointed or elected official or employee in active service in the Executive Branch of Government or any pensioner of any branch of the Government of the Commonwealth of Puerto Rico and its agencies,

departments, and municipalities, but excluding the officials and employees of public corporations, the Puerto Rico Police, and the University of Puerto Rico, the officials and employees of the Judicial Branch and the Legislative Branch of the Government of the Commonwealth of Puerto Rico, the officials and employees of the Office of the Comptroller, and the officials and employees of the Office of the Ombudsman who may avail themselves of the plans selected by the Administration, if they do so desire, and if the public corporation, the Judicial Branch, the Legislative Branch, the Office of the Comptroller, the Office of the Ombudsman, and such officials and employees comply with the provisions of this Act. The term ‘employee’ also includes officials and employees in active duty outside of Puerto Rico.

(c) ...”

Section 2.- Subsection (a) of Section 4 of Act No. 95 of June 29, 1963, as amended, is hereby amended to read as follows:

“Section 4.- ...

(a) The Administration is hereby...

The Chief Justice of the Supreme Court...

The President of the Senate and the Speaker of the House...

The Comptroller of Puerto Rico...

The Ombudsman...

The Superintendent of the Puerto Rico Police or the person designated by him, in conjunction with bona fide employee organizations attached to the Puerto Rico Police, may negotiate without intermediaries and enter into contracts directly with health insurance plans on behalf and for the benefit of the employees and officials of the Puerto Rico Police, who voluntarily choose to avail themselves of the health insurance provided by a private insurer, in accordance with the powers conferred by Act No. 53-1996, as amended. Moreover, the Superintendent

may accept the negotiation and execution of contracts with health insurance plans conducted by the Administration for employees and officials of the Puerto Rico Police, in accordance with the provisions of this Act.

When the Chief Justice of the Supreme Court, the President of the Senate of Puerto Rico, the Speaker of the House of Representatives, the Comptroller of Puerto Rico, the Ombudsman, and the Superintendent of the Puerto Rico Police negotiate a health insurance plan or choose one of the plans selected by the Administration, and both spouses are public service employees or pensioners of any branch of the Government of the Commonwealth of Puerto Rico, its agencies, departments, municipalities, public corporations, or of the University of Puerto Rico, then the latter and their family members may avail themselves of their preferred plan and shall be entitled to have their employers' contributions applied thereto up to the maximum amount of such contribution.

(b) ...”

Section 3.- This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following **Act No. 16-2015 (S. B. 1198)** of the **5th Regular Session** of the **17th Legislative Assembly of Puerto Rico**:

AN ACT to amend subsection (b) of Section 3, and subsection (a) of Section 4 of Act No. 95 of June 29, 1963, as amended, known as the "Public Employees Health Benefits Act," in order to empower the Superintendent of the Puerto Rico Police in conjunction with bona fide employee attached to the Puerto Rico Police to negotiate and enter into contracts with health insurance plans for employees and police officers who voluntarily choose to avail themselves of the health insurance plan provided by a private insurer.

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, on this 25th day of May, 2016.

Juan Luis Martínez Martínez
Director