
DIGEST

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HB 515 Original

2025 Regular Session

Zeringue

Abstract: Establishes an alternative cost share calculation for certain retiree insurance premiums for programs offered by the state's Office of Group Benefits (OGB).

Present law establishes the OGB to offer and administer group life and health insurance for state employees, retirees, and their dependents.

Present law establishes calculation of the state's portion of a retiree's insurance premium for employees that were hired on or after Jan. 1, 2002. Bases such calculation on the employee's years of participation in the OGB program prior to retirement as follows:

- (1) 19% for those persons with less than 10 years of participation in the OGB program before retirement.
- (2) 38% for those persons with 10 years of participation but less than 15 years of participation in the OGB program before retirement.
- (3) 56% for those persons with 15 years of participation but less than 20 years of participation in the OGB program before retirement.
- (4) 75% for those persons with 20 or more years of participation in the OGB program before retirement.

Proposed law retains present law and establishes an additional calculation for active employees who were hired after Jan. 1, 2002, and who have at least 25 years of full-time state employment as follows:

- (1) 56% for those persons with at least 15 years but less than 16 years of participation in the OGB program before retirement.
- (2) 58% for those persons with at least 16 years but less than 17 years of participation in the OGB program before retirement.
- (3) 60% for those persons with at least 17 years but less than 18 years of participation in the OGB program before retirement.
- (4) 65% for those persons with at least 18 years but less than 19 years of participation in the

OGB program before retirement.

- (5) 70% for those persons with at least 19 years but less than 20 years of participation in the OGB program before retirement.

Further provides that the state contribution of such an employee's total premium upon retirement shall be calculated pursuant to present law or proposed law, whichever results in a higher contribution for the state. Prohibits proposed law from affecting the contributions paid by the state for any retiree covered pursuant to present law prior to January 1, 2026.

Proposed law makes technical changes to present law.

Effective July 1, 2025.

(Amends R.S. 17:81(Z)(2) and R.S. 42:851(E)(1)(intro. para.) and (F)-(V); Adds R.S. 42:851(W))