

Regular Session, 2014

SENATE BILL NO. 221

BY SENATOR ERDEY

GROUP BENEFITS PROGRAM. Provides relative to premiums. (7/1/14)

AN ACT

To enact R.S. 42:851(T), relative to premiums for the Group Benefits Program; to provide for employer contributions to such premiums; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 42:851(T) is hereby enacted to read as follows:

§851. Authority for employee benefit programs; payroll deduction for payment of premiums

* * *

T. An employee who retires from a position with an employer whose employees are eligible to participate in the Office of Group Benefits health care program, who participated in such program for the duration of employment with that employer but whose participation is less than twenty years, who, immediately prior to such employment, was a professional and fully qualified employee of a city, parish, or other local public school system and who participated in the group health insurance program made available by the school system, and who, upon retirement, maintains enrollment in the Office of

Group Benefits program may, notwithstanding any provision of law to the contrary, have an employer contribution of up to seventy-five percent of his premium if his last employer and his immediately prior public school system employer agree to provide the employee with contributions which together total seventy-five percent or less of the employee's premium. The Office of Group Benefits is authorized to receive employer contributions from the prior public school system employer on behalf of the employee.

Section 2. This Act shall become effective on July 1, 2014; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on July 1, 2014, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST

Erdey (SB 221)

Present law provides for a participation schedule to determine the employer share of a retiree's Group Benefits health insurance premiums based on the years the person participated in the Office of Group Benefits (OGB) program before retirement as follows:

- (1) 19% for those persons with less than 10 years of participation.
- (2) 38% for those persons with at least 10 but less than 15 years of participation.
- (3) 56% for those persons with at least 15 but less than 20 years of participation.
- (4) 75% for those persons with 20 or more years of participation.

Proposed law, applicable to an employee who:

- (1) Retires from a position with an employer whose employees are eligible to participate in the OGB health care program.
- (2) Participated in such program for the duration of employment with that employer but whose participation is less than 20 years.
- (3) Immediately prior to such employment, was a professional and fully qualified employee of a city, parish, or other local public school system and participated in the group health insurance program made available by the school system.

provides that such an employee who maintains enrollment in the OGB program upon retirement may have an employer contribution of up to 75% of his premium if his last employer and his immediately prior public school system employer agree to provide the employee with contributions which together total 75% or less of the employee's premium.

Proposed law authorizes OGB to receive employer contributions from the prior public school system employer on behalf of the employee.

Effective July 1, 2014.

(Adds R.S. 42:851(T))