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)

<u>Present law</u> 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.

<u>Proposed law</u> 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))