

2015 Regular Session

SENATE BILL NO. 268

BY SENATOR ERDEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE PREMIUMS. Provides for portability of retiree health insurance eligibility for employees. (gov sig)

1 AN ACT

2 To enact R.S. 22:1005.1, relative to portability of retiree health insurance eligibility for

3 public school employees; to provide with respect to the continuation of coverage by

4 the health insurance in effect at the time of retirement; to require the employer share

5 of the insurance premium to be capped at seventy-five percent after twenty years of

6 service; to require the department to track and monitor an employee's succession of

7 employers and the term of years spent with each employer; and to provide for related

8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 22:1005.1 is hereby enacted to read as follows:

11 **§1005.1. Portability of retiree health insurance; public school employees**

12 **A. If a public school employee covered by a group health insurance**

13 **policy or plan issued by the employing school board becomes employed by**

14 **another school board, then the employee's health insurance coverage shall be**

15 **portable and the employee shall be covered by the group health insurance policy**

16 **or plan issued by the employing school board for the same coverage without any**

17 **exclusion for preexisting conditions as long as the employee is employed by the**

1 subsequent school board.

2 B. Upon retirement, a public school employee may continue the same
3 coverage under the group health insurance policy or plan in effect as of the date
4 of retirement.

5 C. The school board from which an employee retires shall pay its portion
6 of the policy or plan premium associated with the group health insurance policy
7 or plan providing coverage for retirees subject to reimbursement by all
8 previous employers in proportion to the portion of the employee's career spent
9 with each employer.

10 D.(1) This reimbursement of premium shall occur even if the previous
11 employer or employers and last employer provided coverage through the Office
12 of Group Benefits. The amount of any premium shall be in accordance with the
13 employee participation schedule in R.S. 42:851(E).

14 (2) After twenty years of service as an employee, the employer share of
15 the premium shall be capped at seventy-five percent of the total premium
16 amount due.

17 E. The department shall track and monitor an employee's succession of
18 employers and the term of years spent with each employer. The initial data
19 shall come from the Teacher's Retirement System and the Louisiana School
20 Employees' Retirement System.

21 Section 2. This Act shall become effective upon signature by the governor or, if not
22 signed by the governor, upon expiration of the time for bills to become law without signature
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become
25 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Horne.

SB 268 Original DIGEST
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Proposed law provides that if a public school employee covered by group health insurance becomes employed by another school board, the employee has the right of portability of group health insurance benefits between the different school boards. Provides that an employee shall continue the same coverage by the group health insurance plan in effect as of his retirement.

Proposed law requires the school board from which an employee retires to pay all premiums associated with the group health insurance policy or plan subject to reimbursement by all previous employers in proportion to the portion of the employee's career spent with each employer.

Proposed law caps the employer's share of the premium at 75% after 20 years of service.

Proposed law requires the department to track and monitor an employee's succession of employers and term of years spent with each employer.

Proposed law requires the employee participation schedule to be in accordance with the provisions of present law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 22:1005.1)