

2020 Regular Session

HOUSE BILL NO. 325

BY REPRESENTATIVE ECHOLS

INSURANCE/GROUP-STATE: Provides relative to participation in Office of Group Benefits programs by certain classes of participants

1 AN ACT

2 To enact R.S. 42:851.1, relative to participation in Office of Group Benefits programs by  
3 certain classes of participants; to prohibit participation by certain participants in  
4 certain types of plans; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. To ensure the health and welfare of its former employees while operating  
7 in a fiscally prudent manner, the legislature finds it beneficial to identify and capitalize upon  
8 opportunities to improve health insurance benefits for state and school district retirees while  
9 simultaneously creating an opportunity for savings for the state. The legislature finds that  
10 one such opportunity is offering retirees enrolled in Medicare health insurance coverage  
11 designed specifically for their demographic. Enrollment in Medicare Advantage plans  
12 would offer coverage to retirees for health expenses they are likely to incur while  
13 simultaneously eliminating risk—and its associated costs—from the state's liabilities.

14 Section 2. R.S. 42:851.1 is hereby enacted to read as follows:

15 §851.1. Plan options for certain retirees

16 Notwithstanding any provision of law to the contrary, for each Group  
17 Benefits Plan renewal or enrollment after a retiree without dependents elects to  
18 enroll in Medicare Parts A and B, the retiree may not continue coverage under any  
19 policy provided for in this Part except for coverage under a Medicare Advantage  
20 Plan.

21 Section 2. The provisions of this Act shall become effective July 1, 2020.

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**DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 325 Original

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**Abstract:** Provides that if a state or school district retiree without dependants elects to enroll in Medicare Parts A and B, his continued participation in Office of Group Benefits (OGB) health plans is limited to Medicare Advantage Plans only.

Present law (R.S. 42:1001 et seq.) authorizes state employees to participate in the federally managed Medicare Program.

Present law creates OGB to contract with providers to offer insurance products to state employees and employees of state, local, and special school districts. Proposed law retains present law.

Present law allows participating state and school employees to continue participation in OGB-sponsored health plans after retirement. Proposed law restricts continued coverage by retirees who have elected to enroll in Medicare Parts A and B to participation in a Medicare Advantage Plan.

Effective July 1, 2020.

(Adds R.S. 42:851.1)