

Regular Session, 2010

SENATE BILL NO. 258

BY SENATORS MURRAY AND DUPLESSIS

GROUP BENEFITS PROGRAM. Provides for eligibility of New Orleans School Board retirees to participate, as a group, in insurance sponsored by the Office of Group Benefits.

1 AN ACT

2 To enact 42:808(A)(12) and 851(T), relative to state group insurance; to provide insurance
3 coverage for certain persons retired from employment with or employed by the
4 Orleans Parish School Board; to provide relative to the eligibility of such persons to
5 participate in programs sponsored by the Office of Group Benefits; to provide for
6 limitations; to provide for an effective date; and to provide for related matters.

7 Notice of intention to introduce this Act has been published.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 42:808(A)(12) and 851(T) are hereby enacted to read as follows:

10 §808. Eligibility in group programs

11 A. For the purposes of participating in life, health, or other programs
12 sponsored by the Office of Group Benefits, an employee is defined as:

13 * * *

14 **(12) Notwithstanding any provision of law to the contrary, persons who**
15 **are retired on or before January 31, 2010, from employment with the Orleans**
16 **Parish School Board, and active employees of such board, are deemed to be a**
17 **special group for eligibility of programs sponsored by the Office of Group**

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Dawn Romero Watson.

DIGEST

Present law provides for the eligibility of certain categories of state and local employees and retirees to participate in programs of insurance, including group health insurance, sponsored by the Office of Group Benefits (OGB).

Proposed law adds to the list both persons retired on or before Jan. 31, 2010, and employees of the Orleans Parish School Board.

Present law (R.S. 42:851(E)) specifies the level of state contribution to the health care premium of persons who participate in OGB programs as retirees according to the number of consecutive years of participation as active employees, first employed after Jan. 1, 2002, ranging from a minimum of 19% to a maximum of 75%.

Proposed law exempts those provided eligibility under proposed law from any effect of such provision.

Present law (R.S. 42:851(H)(5)) specifies that the premium rate of any group which begins participating in OGB programs after having participated in another group health and accident program shall be rated by group benefits to be covered by the programs at the greater of the premium rate based on the loss experience of the group under the prior plan or the premium rate based on the loss experience of the classification into which the group is entering.

Proposed law exempts those provided eligibility under proposed law from any effect of such provision.

Proposed law provides that persons made eligible for participation in programs sponsored by OGB under proposed law shall participate in group health insurance programs when the Orleans Parish School Board elects to participate in such programs.

Proposed law provides that premiums for coverage of persons in such group shall be paid as follows:

- (1) For retirees, 25% shall be paid by the school board and of the remaining portion, 50% shall be paid by the retiree and 50% shall be paid by OGB.
- (2) For active employees, 25% shall be paid by the employee and 50% shall be paid by the school board.

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

(Adds R.S. 42:808(A)(12) and 851(T))