

HB 2611

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SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1996



ENROLLED

Com. Sub. For

HOUSE BILL No. 2611

(By Delegate *Ryan*)



Passed *March 9,* 1996

In Effect *Ninety Days From* Passage

ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 2611

(BY DELEGATE RYAN)

[Passed March 9, 1996; in effect ninety days from passage.]

AN ACT to amend and reenact section thirteen, article sixteen, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to eligibility for coverage under the public employees insurance act; and providing that certain employees with twenty years of service with a participating agency and employees who have been covered by the act for twenty years may retain coverage after leaving employment if those eligible employees pay the actual cost of the retiree coverage plus five percent.

Be it enacted by the Legislature of West Virginia:

That section thirteen, article sixteen, chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, to read as follows:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

§5-16-13. Payment of costs by employer and employee; coverage for employee's spouse and dependents generally; short term continuance of coverage for involuntary employee termination; extended insurance coverage for retired employees with accrued annual leave and sick leave; increased retirement benefits for retired employees with accrued annual and sick leave; additional

eligible retired employees; option for health insurance coverage without life insurance coverage made available to retirees; health insurance for surviving dependents of deceased employees.

1 (a) The director is hereby authorized to provide under
2 any contract or contracts entered into under the provisions
3 of this article that the costs of any such group hospital and
4 surgical insurance, group major medical insurance, group
5 prescription drug insurance, group life and accidental
6 death insurance benefit plan or plans may be paid by the
7 employer and employee. In addition, each employee shall
8 be entitled to have his or her spouse and dependents, as
9 defined by the rules of the public employees insurance
10 agency, included in any group hospital and surgical
11 insurance, group major medical insurance or group
12 prescription drug insurance coverage: *Provided*, That such
13 spouse and dependent coverage shall be limited to excess
14 or secondary coverage for each spouse and dependent
15 who has primary coverage from any other source. For
16 purposes of this section, the term "primary coverage"
17 means individual or group hospital and surgical insurance
18 coverage or individual or group major medical insurance
19 coverage or group prescription drug coverage in which
20 the spouse or dependent is the named insured or
21 certificate holder. The director may require proof
22 regarding spouse and dependent primary coverage and
23 shall adopt rules governing the nature, discontinuance and
24 resumption of any employee's coverage for his or her
25 spouse and dependents.

26 (b) Should a participating employee be terminated
27 from employment involuntarily or in reduction of work
28 force, the employee's insurance coverage provided under
29 this article shall continue for a period of three months at
30 no additional cost to the employee. An employee
31 discharged for misconduct shall not be eligible for
32 extended benefits under this section. Coverage may be
33 extended up to the maximum period of three months,
34 while administrative remedies contesting the charge of
35 misconduct are pursued. If the discharge for misconduct
36 be upheld, the full cost of the extended coverage shall be

37 reimbursed by the employee. If the employee is again
38 employed or recalled to active employment within twelve
39 months of his or her prior termination, he or she shall not
40 be considered a new enrollee and shall not be required to
41 again contribute his or her share of the premium cost, if
42 he or she had already fully contributed such share during
43 the prior period of employment.

44 (c) Except as otherwise provided in subsection (f) for
45 higher education full-time faculty employed on an annual
46 contract basis other than for twelve months, when a
47 participating employee, who has elected to participate in
48 the plan before the first day of July, one thousand nine
49 hundred eighty-eight, is compelled or required by law to
50 retire before reaching the age of sixty-five, or when a
51 participating employee voluntarily retires as provided by
52 law, that employee's accrued annual leave and sick leave, if
53 any, shall be credited toward an extension of the insurance
54 coverage provided by this article, according to the
55 following formulae: Such insurance coverage for a retired
56 employee shall continue one additional month for every
57 two days of annual leave or sick leave, or both, which the
58 employee had accrued as of the effective date of his or her
59 retirement. For a retired employee, his or her spouse and
60 dependents, such insurance coverage shall continue one
61 additional month for every three days of annual leave or
62 sick leave, or both, which the employee had accrued as of
63 the effective date of his or her retirement.

64 (d) Notwithstanding the preceding subsection, except
65 as otherwise provided in subsection (f) for higher
66 education full-time faculty employed on an annual
67 contract basis other than for twelve months, when a
68 participating employee who elects to participate in the
69 plan on and after the first day of July, one thousand nine
70 hundred eighty-eight, is compelled or required by law to
71 retire before reaching the age of sixty-five, or when such a
72 participating employee voluntarily retires as provided by
73 law, that employee's annual leave or sick leave, if any, shall
74 be credited toward one half of the premium cost of the
75 insurance provided by this article, for periods and scope
76 of coverage determined according to the following
77 formulae: (1) One additional month of single retiree

78 coverage for every two days of annual leave or sick leave,
79 or both, which the employee had accrued as of the
80 effective date of his or her retirement; or (2) one
81 additional month of coverage for a retiree, his or her
82 spouse and dependents for every three days of annual
83 leave or sick leave, or both, which the employee had
84 accrued as of the effective date of his or her retirement.
85 The remaining premium cost shall be borne by such
86 retired employee if he or she elects such coverage. For
87 purposes of this subsection, an employee who has been a
88 participant under spouse or dependent coverage and who
89 reenters the plan within twelve months after termination of
90 his or her prior coverage shall be considered to have
91 elected to participate in the plan as of the date of
92 commencement of the prior coverage. For purposes of
93 this subsection, an employee shall not be considered a new
94 employee after returning from extended authorized leave
95 on or after the first day of July, one thousand nine
96 hundred eighty-eight.

97 (e) In the alternative to the extension of insurance
98 coverage through premium payment provided in the two
99 preceding subsections, the participating employee's ac-
100 crued annual leave and sick leave may be applied, on the
101 basis of two days retirement service credit for each one
102 day of accrued annual and sick leave, toward an increase
103 in the employee's retirement benefits with such days
104 constituting additional credited service in computation of
105 such benefits under any state retirement system. However,
106 such credited service shall not be used in meeting initial
107 eligibility for retirement criteria, but only as additional
108 service credited in excess thereof.

109 (f) When a participating employee, who is a higher
110 education full-time faculty member employed on an
111 annual contract basis other than for twelve months, is
112 compelled or required by law to retire before reaching the
113 age of sixty-five, or when such a participating employee
114 voluntarily retires as provided by law, that employee's
115 insurance coverage, as provided by this article, shall be
116 extended according to the following formulae: Such
117 insurance coverage for a retired higher education full-time
118 faculty member, formerly employed on an annual

119 contract basis other than for twelve months, shall continue
120 beyond the effective date of his or her retirement one
121 additional year for each three and one-third years of
122 teaching service, as determined by uniform guidelines
123 established by the university of West Virginia board of
124 trustees and the board of directors of the state college
125 system, for individual coverage, or one additional year for
126 each five years of teaching service for "family" coverage.

127 (g) Any employee who retired prior to the twenty-first
128 day of April, one thousand nine hundred seventy-two, and
129 who also otherwise meets the conditions of the "retired
130 employee" definition in section two of this article, shall be
131 eligible for insurance coverage under the same terms and
132 provisions of this article. The retired employee's premium
133 contribution for any such coverage shall be established by
134 the finance board.

135 (h) All retirees under the provisions of this article,
136 including those defined in section two of this article; those
137 retiring prior to the twenty-first day of April, one
138 thousand nine hundred seventy-two; and those hereafter
139 retiring shall be eligible for and permitted to obtain health
140 insurance coverage. The retired employee's premium
141 contribution for any such coverage shall be established by
142 the finance board.

143 (i) A surviving spouse and dependents of a deceased
144 employee, who was either an active or retired employee
145 just prior to such decease, shall be entitled to be included
146 in any group insurance coverage provided under this
147 article, and such spouse and dependents shall bear the
148 premium cost of such insurance coverage. The finance
149 board shall establish the premium cost of any such
150 coverage.

151 (j) In construing the provisions of this section or any
152 other provisions of this code, the Legislature declares that
153 it is not now nor has it ever been the Legislature's intent
154 that elected public officials be provided any sick leave,
155 annual leave or personal leave, and the enactment of this
156 section is based upon the fact and assumption that no
157 statutory or inherent authority exists extending sick leave,
158 annual leave or personal leave to elected public officials

159 and the very nature of such positions preclude the arising
160 or accumulation of such, so as to be thereafter usable as
161 premium paying credits for which such officials may
162 claim extended insurance benefits.

163 (k) An employee, eligible for coverage under the
164 provisions of this article who has twenty years of service
165 with any agency or entity participating in the public
166 employees insurance program or who has been covered
167 by the public employees insurance program for twenty
168 years may, upon leaving employment with a participating
169 agency or entity, continue to be covered by the program if
170 the employee pays one hundred and five percent of the
171 cost of retiree coverage: *Provided*, That the employee
172 shall elect to continue coverage under this subsection
173 within two years of the date the employment with a
174 participating agency or entity is terminated.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Randy Schoonover
Chairman Senate Committee

Randy Seavist
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage

Darrell Beckler
Clerk of the Senate

Bryan W. Bray
Clerk of the House of Delegates
Carl Ray Tomblin
President of the Senate

Bob Coburn
Speaker of the House of Delegates

The within is approved this the 21st
day of March, 1996.

Winston Compton
Governor

PRESENTED TO THE

GOVERNOR

Date 3/19/96

Time 3:31 p.m.