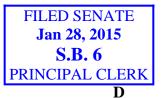
GENERAL ASSEMBLY OF NORTH CAROLINA **SESSION 2015**



SENATE DRS45004-MEz-4* (11/05)

Short Title:	State Health Plan/Rehired Retiree Eligibility.	(Public)
Sponsors:	Senators Tillman and Barefoot (Primary Sponsors).	
Referred to:		

A BILL TO BE ENTITLED

1			A BILL TO BE ENTITLED
2	AN ACT	Γ ΤΟ Α	ALLOW RETIREES WHO RETURN TO WORK FOR THE STATE IN
3	NON	PERMA	ANENT POSITIONS TO RETAIN THEIR COVERAGE OPTIONS UNDER
4	THE	STATE	HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES RATHER
5	THA	N LIM	ITING SUCH RETIREES' COVERAGE OPTIONS TO THE "BRONZE
6	LEVE	EL" H	IGH-DEDUCTIBLE HEALTH PLAN NECESSITATED BY THE
7	AFFO	ORDAB	LE CARE ACT, AS RECOMMENDED BY THE JOINT LEGISLATIVE
8	EDU	CATIO	N OVERSIGHT COMMITTEE.
9	The Gene	eral Asso	embly of North Carolina enacts:
10		SECT	TION 1. G.S. 135-48.40 reads as rewritten:
11	"§ 135-48	8.40. Ca	ategories of eligibility.
12			
13	(b)	Partia	lly Contributory Coverage. – The following persons are eligible for coverage
14	under the	Plan, o	n a partially contributory basis, subject to the provisions of G.S. 135-48.43:
15		(1)	All permanent full-time employees of an employing unit who meet either of
16			the following conditions:
17			a. Paid from general or special State funds.
18			b. Paid from non-State funds and in a group for which his or her
19			employing unit has agreed to provide coverage.
20			Employees of State agencies, departments, institutions, boards, and
21			commissions not otherwise covered by the Plan who are employed in
22			permanent job positions on a recurring basis and who work 30 or more hours
23			per week for nine or more months per calendar year are covered by the
24			provisions of this subdivision.
25		<u>(1a)</u>	All retirees who (i) are employed by an employing unit, (ii) do not qualify
26			for coverage under subdivision (1) of this section, and (iii) are determined to
27			be "full-time" by their employing unit in accordance with section 4980H of
28			the Internal Revenue Code and the applicable regulations, as amended. The
29			Department of State Treasurer shall, using a process developed by the
30			Department, reimburse an employing unit the employing unit's cost to cover
31			such a retiree who enrolls in the Plan. The reimbursement shall be made at
32			least once per plan year and shall be paid from the Retiree Health Benefit
33			<u>Fund.</u>
34			
35	(e)	Other	Contributory Coverage $-$ Any employee of an employing unit is eligible for

Other Contributory Coverage. – Any employee of an employing unit is eligible for 33 (e) 36 coverage under this section on a contributory basis, subject to the provisions of G.S. 135-48.43



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General Assembly of North Carolina

1 2	and of this section, if (i) the employee's employing unit determines that the employee is a full-time employee and (ii) the employee does not qualify for coverage under subdivision (1),
2	(1a), (5), (6), (7), (8), (9), or (10) of G.S. 135-48.40(b). For the purposes of this subsection, the
4	full-time status of an employee shall be determined by the employing unit, in its sole discretion,
5	in accordance with Section 4980H of the Internal Revenue Code and the applicable regulations,
6	as amended. The coverage offered and the contribution required for coverage under this section
7	shall be determined by the Treasurer and approved by the Board of Trustees. Such coverage
8	shall do all of the following:
9	(1) Be designed to meet the requirements of minimum essential coverage under
10	the Patient Protection and Affordable Care Act, P.L. 111-148, and the
11	applicable regulations, as amended (Affordable Care Act).
12	(2) Provide no greater coverage than a bronze-level plan, as defined under the
13	Affordable Care Act.
14	(3) Minimize the required employer contribution in an administratively feasible
15	manner."
16	SECTION 2. G.S. 135-48.41(j) reads as rewritten:
17	"(j) If a retiree has been hired by an employing unit and is eligible for coverage under
18	subdivision (1), (1a), (5), (6), (7), (8), (9), or (10) of G.S. 135-48.40(b) or under
19	G.S. 135-48.40(e), then the hired retiree shall not, during the time of employment, be eligible
20	for retiree coverage under G.S. 135-48.40(a)(1), G.S. 135-48.40(b)(3), G.S. 135-48.40(c)(2), or
21	G.S. 135-48.40(d)(11)."
22	SECTION 3. This act becomes effective July 1, 2015.
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