

A BILL TO BE ENTITLED

AN ACT

1
2 relating to participation by certain county officers, employees,
3 and retired officers and employees and their dependents in the
4 state employees group benefits program.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter C, Chapter 1551, Insurance Code, as
7 effective June 1, 2003, is amended by adding Section 1551.114 to
8 read as follows:

9 Sec. 1551.114. PARTICIPATION BY CERTAIN COUNTIES. (a) This
10 section applies only to a county that has a population of less than
11 250,000.

12 (b) Subject to Subsection (k), a county subject to this
13 section may participate in the group benefits program. To
14 participate under this section, the county:

15 (1) must offer coverage under the program to all
16 county officers, employees, and retired officers and employees; and

17 (2) may not offer a health benefit plan for its
18 officers, employees, and retired officers and employees as an
19 alternative to the plan offered by the program.

20 (c) Participation under this section is limited to:

21 (1) active officers and employees of a county;

22 (2) retired officers and employees of a county who:

23 (A) have been employed by one or more counties
24 for a total of at least 10 years of creditable service; and

1 (B) meet all the requirements for retirement
2 benefits prescribed by the Texas County and District Retirement
3 System; and

4 (3) eligible dependents of the active officers and
5 employees and retired officers and employees described by
6 Subdivisions (1) and (2).

7 (d) Except as provided by this section, a county officer,
8 employee, or retired officer or employee and the eligible
9 dependents of the officer, employee, or retired officer or
10 employee:

11 (1) are entitled to participate in the group coverage
12 plans established by the board of trustees under the group benefits
13 program in the same manner as other employees, annuitants, and
14 dependents under the program; and

15 (2) may be expelled from the program under Subchapter
16 H.

17 (e) Each officer and each full-time active employee of a
18 participating county is automatically covered by the basic coverage
19 for employees unless the officer or employee specifically waives
20 coverage or unless the officer or employee is expelled from the
21 program. Each part-time active employee of a participating county
22 is eligible to participate in the group benefits program on
23 application in the manner provided by the board of trustees, unless
24 the employee has been expelled from the program. Each
25 participating county shall notify each of its part-time employees
26 of the employee's eligibility for participation.

27 (f) An active officer or employee described by Subsection

1 (e) is not eligible to receive a state contribution under
2 Subchapter G for premiums. Each participating county is
3 responsible for payment of the contributions for each of the
4 county's participating active officers and employees and the
5 officers' and employees' dependents that the state would make under
6 Subchapter G if the officers and employees were state employees.
7 Each covered officer or employee shall pay that portion of the cost
8 of group coverages selected by the officer or employee that exceeds
9 the amount of county contributions.

10 (g) A retired officer or employee is eligible to participate
11 in the group benefits program on application to the board of
12 trustees. On application, a retired officer or employee is
13 automatically covered by the basic coverage for annuitants unless
14 the retired officer or employee specifically waives coverage or
15 unless the retired officer or employee is expelled from the
16 program. A retired officer or employee is not eligible to receive a
17 state contribution under Subchapter G for premiums. Each
18 participating county is responsible for payment of the
19 contributions for each of the county's retired officers and
20 employees and the retired officers' and employees' participating
21 dependents that the state would make under Subchapter G if the
22 retired officers and employees were retired state employees. Each
23 participating retired officer or employee shall pay that portion of
24 the cost of group coverage selected by the retired officer or
25 employee that exceeds the amount of county contributions. The
26 retired officer or employee shall pay contributions required from
27 the retired officer or employee in the manner prescribed by the

1 board of trustees. Each participating county shall notify each of
2 its retired officers and employees of the eligibility for
3 participation and the costs associated with participation.

4 (h) All contributions received under this section from
5 participating counties, active officers and employees of
6 participating counties, and retired officers and employees of
7 participating counties for basic, optional, and voluntary
8 coverages under the group benefits program shall be paid into the
9 employees life, accident, and health insurance and benefits fund
10 and shall be used by the board of trustees to provide those
11 coverages as provided by this chapter.

12 (i) In determining the contributions to be paid for
13 coverages under this section, the board of trustees shall include
14 an amount necessary to reimburse the Employees Retirement System of
15 Texas for the cost of administering this section in accordance with
16 Section 1551.401(d).

17 (j) A county that elects to participate in the group
18 benefits program must notify the board of trustees in the time and
19 manner required by the board of trustees.

20 (k) The board of trustees may decline to accept a county for
21 participation in the group benefits program if the board determines
22 that participation by the county will have an adverse actuarial
23 impact on the group benefits program.

24 (l) A county that has elected to participate in the group
25 benefits program may not withdraw from participation.

26 (m) A county is an employer for purposes of this chapter
27 only to the extent authorized by this section.

1 SECTION 2. Section 1551.101, Insurance Code, as effective
2 June 1, 2003, is amended by adding Subsection (f) to read as
3 follows:

4 (f) A county officer or employee is an employee for purposes
5 of this chapter only to the extent authorized by Section 1551.114.

6 SECTION 3. Section 1551.102, Insurance Code, as effective
7 June 1, 2003, is amended by adding Subsection (h) to read as
8 follows:

9 (h) A retired county officer or employee is an annuitant for
10 purposes of this chapter only to the extent authorized by Section
11 1551.114.

12 SECTION 4. Section 1551.111(c), Insurance Code, as
13 effective June 1, 2003, is amended to read as follows:

14 (c) Participation under this section in the group benefits
15 program does not extend to:

- 16 (1) the governing body of either system;
17 (2) a municipality or subdivision participating in
18 either system; or
19 (3) a trustee, officer, or employee, or a dependent of
20 a trustee, officer, or employee, of a participating municipality or
21 subdivision.

22 SECTION 5. The board of trustees of the Employees
23 Retirement System of Texas is not required to make the group
24 benefits program available to specified counties, as required by
25 Section 1551.114, Insurance Code, as added by this Act, before
26 September 1, 2004.

27 SECTION 6. This Act takes effect September 1, 2003.