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## WEST VIRGINIA LEGISLATURE SEVENTY-EIGHTH LEGISLATURE REGULAR SESSION, 2008

## ENROLLED

COMMITTEE SUBSTITUTE

FOR

# Senate Bill No. 715

(SENATORS PLYMALE AND MINARD, original sponsors)

[Passed March 8, 2008; to take effect July 1, 2008.]



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AN ACT to amend and reenact §5-16-2 and §5-16-15 of the Code of West Virginia, 1931, as amended, all relating to the participation in the Public Employees Insurance Agency of certain retired employees; mandatory participation in Retiree Health Benefit Trust Fund; requiring written certification from nonstate employers who opt out of the other post-employment benefits plan of the fund; providing that agency is not liable to provide benefit where employer opted out; and directing the finance board to study an oral health benefit to children of covered employees.

Be it enacted by the Legislature of West Virginia:

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That §5-16-2 and §5-16-15 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

#### §5-16-2. Definitions.

- 1 The following words and phrases as used in this
- 2 article, unless a different meaning is clearly indicated
- 3 by the context, have the following meanings:
- 4 (1) "Agency" means the Public Employees Insurance5 Agency created by this article.
- 6 (2) "Director" means the Director of the Public 7 Employees Insurance Agency created by this article.

(3) "Employee" means any person, including an 8 9 elected officer, who works regularly full time in the 10 service of the State of West Virginia and, for the 11 purpose of this article only, the term "employee" also 12 means any person, including an elected officer, who 13 works regularly full time in the service of a county 14 board of education; a county, city or town in the state; 15 any separate corporation or instrumentality established 16 by one or more counties, cities or towns, as permitted by 17 law; any corporation or instrumentality supported in 18 most part by counties, cities or towns; any public 19 corporation charged by law with the performance of a 20 governmental function and whose jurisdiction is 21 coextensive with one or more counties, cities or towns; 22 any comprehensive community mental health center or 23 comprehensive mental retardation facility established, 24 operated or licensed by the Secretary of Health and 25 Human Resources pursuant to section one, article 26 two-a, chapter twenty-seven of this code and which is 27 supported in part by state, county or municipal funds; any person who works regularly full time in the service 28 29 of the Higher Education Policy Commission, the West 30 Virginia Council for Community and Technical College 31 Education or a governing board, as defined in section 32 two, article one, chapter eighteen-b of this code; any

33 person who works regularly full time in the service of a 34 combined city-county health department created 35 pursuant to article two, chapter sixteen of this code; any 36 person designated as a 21st Century Learner Fellow 37 pursuant to section eleven, article three, chapter 38 eighteen-a of this code; and any person who works as a 39 long-term substitute as defined in section one, article 40 one, chapter eighteen-a of this code in the service of a 41 county board of education: *Provided*, That a long-term 42 substitute who is continuously employed for at least one 43 hundred thirty-three instructional days during an 44 instructional term and until the end of that 45 instructional term is eligible for the benefits provided in this article until the first day of September following 46 47 that instructional term: Provided, however, That a long-**48** term substitute employed fewer than one hundred 49 thirty-three instructional days during an instructional 50 term is eligible for the benefits provided in this article only during such time as he or she is actually employed 51 52 as a long-term substitute. On and after the first day of 53 January, one thousand nine hundred ninety-four, and 54 upon election by a county board of education to allow 55 elected board members to participate in the Public 56 Employees Insurance Program pursuant to this article, 57 any person elected to a county board of education shall 58 be considered to be an "employee" during the term of 59 office of the elected member. Upon election by the 60 State Board of Education to allow appointed board 61 members to participate in the Public Employees 62 Insurance Program pursuant to this article, any person 63 appointed to the State Board of Education is considered 64 an "employee" during the term of office of the 65 appointed member: Provided further, That the elected 66 member of a county board of education and the 67 appointed member of the State Board of Education 68 shall pay the entire cost of the premium if he or she 69 elects to be covered under this article. Any matters of 70 doubt as to who is an employee within the meaning of 71 this article shall be decided by the director.

72 On or after the first day of July, one thousand nine
73 hundred ninety-seven, a person shall be considered an
74 "employee" if that person meets the following criteria:

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(i) Participates in a job-sharing arrangement as
defined in section one, article one, chapter eighteen-a of
this code;

(ii) Has been designated, in writing, by all other
participants in that job-sharing arrangement as the
"employee" for purposes of this section; and

81 (iii) Works at least one third of the time required for82 a full-time employee.

83 (4) "Employer" means the State of West Virginia, its agencies, commissions, 84 departments. boards. institutions or spending units; a county board of 85 86 education; a county, city or town in the state; any 87 separate corporation or instrumentality established by 88 one or more counties, cities or towns, as permitted by 89 law; any corporation or instrumentality supported in 90 most part by counties, cities or towns; any public 91 corporation charged by law with the performance of a 92 governmental function and whose jurisdiction is 93 coextensive with one or more counties, cities or towns; 94 any comprehensive community mental health center or 95 comprehensive mental retardation facility established, 96 operated or licensed by the Secretary of Health and 97 Human Resources pursuant to section one, article 98 two-a, chapter twenty-seven of this code and which is 99 supported in part by state, county or municipal funds; a combined city-county health department created 100 pursuant to article two, chapter sixteen of this code; 101 102 and a corporation meeting the description set forth in section three, article twelve, chapter eighteen-b of this 103 104 code that is employing a 21st Century Learner Fellow pursuant to section eleven, article three, chapter 105 106 eighteen of this code but the corporation is not considered an employer with respect to any employee 107 108 other than a 21st Century Learner Fellow. Any matters 109 of doubt as to who is an "employer" within the meaning of this article shall be decided by the director. The term 110 "employer" does not include within its meaning the 111 112 National Guard.

113 (5) "Finance board" means the Public Employees

114 Insurance Agency finance board created by this article.

(6) "Person" means any individual, company,
association, organization, corporation or other legal
entity, including, but not limited to, hospital, medical or
dental service corporations; health maintenance
organizations or similar organization providing prepaid
health benefits; or individuals entitled to benefits under
the provisions of this article.

(7) "Plan", unless the context indicates otherwise,
means the medical indemnity plan, the managed care
plan option or the group life insurance plan offered by
the agency.

126 (8) "Retired employee" means an employee of the state 127 who retired after the twenty-ninth day of April, one 128 thousand nine hundred seventy-one, and an employee 129 of the Higher Education Policy Commission, the Council for Community and Technical College Education, a 130 131 state institution of higher education or a county board 132 of education who retires on or after the twenty-first day 133 of April, one thousand nine hundred seventy-two, and 134 all additional eligible employees who retire on or after 135 the effective date of this article, meet the minimum 136 eligibility requirements for their respective state 137 retirement system and whose last employer immediately 138 prior to retirement under the state retirement system is 139 a participating employer in the state retirement system and in the Public Employees Insurance Agency: 140 141 *Provided*, That for the purposes of this article, the 142 employees who are not covered by a state retirement 143 system, but who are covered by a state-approved or 144 state-contracted retirement program or a system 145 approved by the director, shall, in the case of education 146 employees, meet the minimum eligibility requirements of the State Teachers Retirement System and in all 147 148 other cases, meet the minimum eligibility requirements 149 of the Public Employees Retirement System and may 150 participate in the Public Employees Insurance Agency 151 as retired employees upon terms as the director sets by 152 rule as authorized in this article. Employers with 153 employees who are, or who are eligible to become,

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retired employees under this article shall be mandatory 154 155 participants in the Retiree Health Benefit Trust Fund 156 created pursuant to article sixteen-d of this chapter. 157 Nonstate employers may opt out of the West Virginia other post-employment benefits plan of the Retiree 158 159 Health Benefit Trust Fund and elect to not provide 160 benefits under the Public Employees Insurance Agency 161 to retirees of the nonstate employer, but may do so only 162 upon the written certification, under oath, of an 163 authorized officer of the employer that the employer has 164 no employees who are, or who are eligible to become, 165 retired employees and that the employer will defend and hold harmless the Public Employees Insurance 166 167 Agency from any claim by one of the employer's past, present or future employees for eligibility to participate 168 169 in the Public Employees Insurance Agency as a retired 170 employee. As a matter of law, the Public Employees 171 Insurance Agency shall not be liable in any respect to 172 provide plan benefits to a retired employee of a nonstate 173 employer which has opted out of the West Virginia 174 other post-employment benefits plan of the Retiree 175 Health Benefit Trust Fund pursuant to this section.

#### §5-16-15. Optional dental, optical, disability and prepaid retirement plan, and audiology and hearing-aid service plan.

1 (a) On and after the first day of July, one thousand 2 nine hundred eighty-nine, the director shall make 3 available to participants in the public employees 4 insurance system: (1) A dental insurance plan; (2) an 5 optical insurance plan; (3) a disability insurance plan; 6 (4) a prepaid retirement insurance plan; and (5) an 7 audiology and hearing-aid services insurance plan. 8 Public employees insurance participants may elect to 9 participate in any one of these plans separately or in 10 combination. All actuarial and administrative costs of 11 each plan shall be totally borne by the premium 12 payments of the participants or local governing bodies 13 electing to participate in that plan. The director is 14 authorized to employ such administrative practices and 15 procedures with respect to these optional plans as are 16 authorized for the administration of other plans under

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17 this article. The director shall establish separate funds: (1) For deposit of dental insurance premiums and 18 19 payment of dental insurance claims; (2) for deposit of 20 optical insurance premium payments and payment of 21 optical insurance claims; (3) for deposit of disability 22 insurance premium payments and payment of disability 23 insurance claims; and (4) for deposit of audiology and 24 hearing-aid service insurance premiums and payment 25 of audiology and hearing-aid insurance claims. Such 26 funds shall not be supplemented by nor be used to 27 supplement any other funds.

(b) The finance board shall study the feasibility of anoral health benefit for children of participants.

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

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect July 1, 2008.

Clerk of the Senate

m. A. Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within A.M.A. this the 2 .... Day of ... 2008. Governor

PRESENTED TO THE GOVERNOR MAR 2 4 2008 Time 3:08

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