

# WEST VIRGINIA LEGISLATURE

## 2018 REGULAR SESSION

**Introduced**

### **House Bill 4521**

**FISCAL  
NOTE**

BY DELEGATE WILSON

[Introduced February 13, 2018; Referred  
to the Committee on Pensions and Retirement then  
Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
 2 designated §5-16-27, relating to establishing the “Mountain State Employee  
 3 Compensation Realignment Act”; providing a sunset provision for the Public Employees  
 4 Insurance Agency; and transferring all responsibilities after the expiration of the Public  
 5 Employees Insurance Agency to the Insurance Commissioner.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.**

**§5-16-27. Establishing the “Mountain State Employee Compensation Realignment Act”;**  
**providing for planned expiration of Public Employees Insurance Agency; and**  
**transferring responsibilities to the Insurance Commissioner.**

1 (a) This section shall be referred to as the “Mountain State Employee Compensation  
 2 Realignment Act.”

3 (b) Planned expiration of the Public Employees Insurance Agency – Beginning on July 1,  
 4 2018, an employee insured by the Public Employees Insurance Agency may elect to receive  
 5 compensation in the amount of money the state pays, or would pay if this option is elected, for his  
 6 or her insurance as an alternate to receiving insurance coverage.

7 (c) When an employee elects to receive compensation under subsection (a) of this section,  
 8 the Public Employees Insurance Agency, or the Insurance Commissioner as provided in  
 9 subsection (d) of this section, shall include the appropriate portion of savings incurred as a result  
 10 of the reduction in administrative costs; annually review the average market rates for health  
 11 insurance; and recommend adjustments to the Legislature concerning the amount the employee  
 12 is provided in elected compensation under subsection (b) of this section. The amounts set forth  
 13 in this article shall appear separately on any eNODS or similar statement.

14 (d) The Public Employees Insurance Agency, as established in this article, will expire and  
 15 cease to provide insurance on July 1, 2023. Any continuing responsibilities of the Public  
 16 Employees Insurance Agency on or after July 1, 2023, shall be conferred to the Insurance

17 Commissioner.

NOTE: The purpose of this bill is to allow employees to elect to receive compensation in the amount of the premium the State would otherwise pay for their health insurance under the Public Employees Insurance Agency and to sunset the Public Employees Insurance Agency.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.