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HOUSE BILL NO. 1909**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Senate Committee on Finance
on February 13, 2001)

(Patron Prior to Substitute—Delegate Callahan)

A BILL to amend and reenact §§ 2.1-20.1:02, 51.1-1100, 51.1-1103, 51.1-1106, 51.1-1116, 51.1-1127, 51.1-1131, 51.1-1135.1, and 51.1-1140 of the Code of Virginia, to amend the Code of Virginia by adding in Chapter 2 of Title 2.1 a section numbered 2.1-20.1:9 and by adding a section numbered 51.1-513.2, and to repeal §§ 51.1-502.2 and 51.1-513.1 of the Code of Virginia, relating to the state sickness and disability program.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.1-20.1:02, 51.1-1100, 51.1-1103, 51.1-1106, 51.1-1116, 51.1-1127, 51.1-1131, 51.1-1135.1, and 51.1-1140 of the Code of Virginia are amended and reenacted, and that the Code of Virginia is amended by adding in Chapter 2 of Title 2.1 a section numbered 2.1-20.1:9 and by adding a section numbered 51.1-513.2 as follows:

§ 2.1-20.1:02. Health insurance program for employees of local governments, local officers, teachers, etc.; definitions.

A. The Department of Human Resource Management shall establish a plan or plans, hereinafter "plan" or "plans", subject to the approval of the Governor, for providing health insurance coverage for employees of local governments, local officers, teachers, and retirees, and the dependents of such employees, officers, teachers and retirees. The plan or plans shall be rated separately from the plan established pursuant to § 2.1-20.1 to provide health and related insurance coverage for state employees. Participation in such insurance plan or plans shall be (i) voluntary, (ii) approved by the participant's respective governing body, or by the local school board in the case of teachers, and (iii) subject to regulations promulgated by the Department. ~~In addition, at the option of a governing body or school board which has elected to participate in the health insurance plan or plans offered by the Department, the governing body or school board may elect to participate in the long-term care or other benefit program which the Department may make available to the governing body or school board.~~

B. The plan established by the Department shall satisfy the requirements of the Virginia Public Procurement Act (§ 11-35 et seq.), shall consist of a flexible benefits structure which permits the creation of multiple plans of benefits and may provide for separate rating groups based upon criteria established by the Department. The Department shall promulgate regulations regarding the establishment of such a plan or plans, including, but not limited to, requirements for eligibility, participation, access and egress, mandatory employer contributions and financial reserves, and the administration of the plan or plans. The Department may engage the services of other professional advisors and vendors as necessary for the prudent administration of the plan or plans. The assets of the plan or plans, together with all appropriations, premiums and other payments, shall be deposited in the employee health insurance fund, from which payments for claims, premiums, cost containment programs and administrative expenses shall be withdrawn from time to time. The assets of the fund shall be held for the sole benefit of the employee health insurance fund. The fund shall be held in the state treasury. Any interest on unused balances in the fund shall revert back to the credit of the fund. The State Treasurer shall charge reasonable fees to recover the actual costs of investing the assets of the plan or plans.

In establishing the participation requirements, the Department may provide that those employees, officers, and teachers without access to employer-sponsored health care coverage may participate in the plan. It shall collect all premiums directly from the employers of such employees, officers, and teachers.

C. In the administration of the plan or plans, the Department shall take into consideration the recommendations made by an advisory committee. Such advisory committee shall be composed of at least five members to be appointed by the Governor, with at least one member representing each of the following groups: local governments, local officers, local school boards, teachers, and retirees. Committee members shall be reimbursed for the expenses incurred by them as members of the committee but shall not be otherwise compensated for their services. The terms of service for the advisory committee members shall be established by the Department.

D. In the event that the financial reserves of the plan fall to an unacceptably low level as determined by the Department, it shall have the authority to secure from the State Treasurer a loan sufficient to raise the reserve level to one which is considered adequate. The State Treasurer is hereby authorized to make such a loan, to be repaid on such terms and conditions as established by him.

E. For the purposes of this section, the following terms shall have the meanings indicated:

"Employees of local governments" shall include all officers and employees of the governing body of any county, city or town, and the directing or governing body of any political entity, subdivision, branch

60 or unit of the Commonwealth or of any commission or public authority or body corporate created by or
61 under an act of the General Assembly specifying the power or powers, privileges or authority capable of
62 exercise by the commission or public authority or body corporate, as distinguished from §§ 15.2-1303,
63 15.2-1300, or similar statutes, provided that the officers and employees of a social services department,
64 welfare board, mental health, mental retardation and substance abuse services board, or library board of
65 a county, city, or town shall be deemed to be employees of local government.

66 "Local officer" means the treasurer, registrar, commissioner of the revenue, attorney for the
67 Commonwealth, clerk of a circuit court, sheriff, or constable of any county or city or deputies or
68 employees of any of the preceding local officers.

69 "Teacher" means any employee of a county, city, or other local public school board.

70 F. Any stock and cash distributed to the Commonwealth pursuant to the conversion of Blue Cross
71 and Blue Shield of Virginia, doing business as Trigon Blue Cross Blue Shield, from a mutual insurance
72 company to a stock corporation known as Trigon Healthcare, Inc., that is directly attributable to the
73 health insurance plan or plans established for employees of local governments, local officers, teachers,
74 and retirees, and the dependents of such employees, officers, teachers and retirees, pursuant to
75 subsection A (hereinafter referred to as the "local choice plan distribution") shall be deposited in the
76 state treasury to the credit of the employee health insurance fund to be used as provided in this
77 subsection. Such distribution shall not include any cash paid by Blue Cross and Blue Shield of Virginia
78 or its successor to the Commonwealth in connection with such conversion which was assumed as
79 general fund revenue in Chapter 912 of the 1996 Acts of Assembly. All other stock and cash received
80 by the Commonwealth pursuant to such conversion of Blue Cross and Blue Shield of Virginia to a stock
81 corporation shall be allocated as provided in subsection B of § 23-284.

82 The State Treasurer shall sell any stock received pursuant to the local choice plan distribution as
83 soon as practicable following its receipt, subject to any lockup period or other restriction on its sale, and
84 the proceeds therefrom shall be deposited in the state treasury to the credit of the employee health
85 insurance fund. Notwithstanding any other provision of law to the contrary, the State Treasurer shall not
86 be liable for any losses incurred from the sale or distribution of such stock.

87 The Department of Human Resource Management shall use any stock, or the proceeds therefrom, and
88 cash received pursuant to the local choice plan distribution to reduce premiums payable by employers
89 participating in a plan or plans established pursuant to subsection A. In setting health insurance
90 premiums for such plan or plans, the Director of the Department of Human Resource Management shall
91 allocate the value of such stock, or proceeds therefrom, and cash among each participating employer.
92 Such allocation shall be based on the proportionate amounts of premiums previously paid by each
93 participating employer. If a participating employer withdraws from such plan or plans before all of the
94 value allocated to it has been used for the benefit of the participating employer, the remaining value
95 shall be transferred to such participating employer upon his withdrawal.

96 § 2.1-20.1:9. *Employees of the University of Virginia Medical Center.*

97 *The University of Virginia Medical Center, hereafter referred to as the Medical Center, may*
98 *purchase basic group life, accidental death and dismemberment, and disability insurance policies*
99 *covering in whole or in part any of its employees. In addition, the Medical Center may establish,*
100 *administer and make available to employees a program of optional insurance, including life, accidental*
101 *death and dismemberment, and disability insurance. Employees of the Medical Center covered under the*
102 *aforesaid basic insurance policies purchased by the Medical Center shall not be covered by the*
103 *insurance program established pursuant to § 51.1-501 or be considered "eligible employees" under*
104 *§ 51.1-1100, unless the University of Virginia Board of Visitors, or a duly authorized agent or*
105 *representative of the Board, purchases such insurance policies from the Virginia Retirement System. Nor*
106 *shall they be required to present at their own expense evidence of insurability satisfactory to an*
107 *insurance company upon changing from one form of coverage to another form of coverage provided*
108 *pursuant to this section. Chapter 5 of Title 51.1 (§ 51.1-500 et seq.) shall not apply to any insurance*
109 *coverage offered by the Medical Center except that the provisions of §§ 51.1-510 and 51.1-511 shall*
110 *apply to such insurance coverage; provided that any administrative or ministerial functions performed*
111 *by or on behalf of the Board of the Virginia Retirement System under §§ 51.1-510 and 51.1-511 shall be*
112 *performed by the Medical Center.*

113 *Notwithstanding the definition of "state employee" contained in § 51.1-124.3, all employees of the*
114 *Medical Center may be enrolled in a health care plan other than that provided for in § 2.1-20.1 at the*
115 *election of the Medical Center and subject to the review and approval of the Board of Visitors of the*
116 *University of Virginia; however, any Medical Center employee who was first employed by the Medical*
117 *Center prior to July 1, 1996, and who had not been classified as a health care provider under the*
118 *provisions of § 51.1-502.1 prior to July 1, 1996, shall be provided the option of enrolling in a health*
119 *care plan elected by the Medical Center or enrolling in the health care plan established pursuant to*
120 *§ 2.1-20.1 until such time as the University of Virginia Board of Visitors may determine that it is not in*
121 *the best interest of the University to continue to provide that option to any employees of the Medical*

Center. If the Board of Visitors determines that such health plan option will not continue to be provided, any Medical Center employees who must reenroll in a different health plan shall be allowed to do so with a waiver of preexisting medical conditions for the employees and, if applicable, their spouses and dependents.

Subject to such eligibility criteria as it may establish, the Medical Center may make available to any of its employees the insurance programs established pursuant to this section, including health plan coverage, notwithstanding the fact that such employees may not be eligible for participation in any retirement plan established pursuant to § 51.1-126.3 or the retirement system established pursuant to Chapter 1 (§ 51.1-124.1 et seq.) of this title.

The eligibility of any employee of the Medical Center for participation in any insurance program established pursuant to this section shall not of itself render such employees eligible for participation in the Virginia Retirement System or any optional retirement program.

§ 51.1-513.2. Long-term care insurance.

A. The Board of Trustees of the Virginia Retirement System is authorized to develop, implement, and administer an optional long-term care program for state employees and their dependents and a long-term care program for all participants of the Virginia Sickness and Disability Program. The programs shall be coordinated with any disability, life or other insurance program administered under this title. The Virginia Retirement System is authorized to contract for and purchase such coverage or use other actuarially sound funding necessary to effectuate this provision.

B. The Board shall include the cost of the long term care benefits for the Virginia Sickness and Disability participants in the rates established for the Virginia Sickness and Disability Program effective July 1, 2002. Contributions shall be deposited in the Disability Trust Fund established under § 51.1-1140.

§ 51.1-1100. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Act" means the Virginia Workers' Compensation Act (§ 65.2-100 et seq.).

"Company" means an insurance company issuing a long-term disability insurance policy purchased by the Board pursuant to this chapter.

"Disability" means a partial disability or total disability.

"Disability benefit" means income replacement payments payable to a participating employee under a short-term or long-term disability benefit program pursuant to this chapter. Disability benefits do not include benefits payable under the Act.

"Eligible employee" means (i) a state employee as defined in § 51.1-124.3 who is a member of the retirement system, (ii) an employee as defined in § 51.1-201, (iii) an employee as defined in § 51.1-212, or (iv) a qualifying part-time employee. Any person participating in a plan established pursuant to §§ 51.1-126, 51.1-126.1, 51.1-126.4, 51.1-126.5, 51.1-502.1, ~~51.1-502.2~~ or § 51.1-502.3 shall not be an eligible employee. *Employees of the University of Virginia Medical Center covered under the basic insurance policies purchased by the Medical Center shall not be considered eligible employees under this chapter, unless the University of Virginia Board of Visitors, or a duly authorized agent or representative of the Board of Visitors, purchases such insurance policies from the Virginia Retirement System.*

"Existing employee" means an employee who elected to participate in the Virginia Sickness and Disability Program.

"Partial disability" exists during the first twenty-four months following the occurrence or commencement of an illness or injury when an employee is earning less than eighty percent of his predisability earnings and, as a result of an injury or illness, is (i) able to perform one or more, but not all, of the essential job functions of his own job on an active employment or a part-time basis or (ii) able to perform all of the essential job functions of his own job only on a part-time basis.

"Participating employee" means any eligible employee required or electing to participate in the program.

"Program" means the program providing sick leave, family and personal leave, short-term disability, and long-term disability benefits for participating employees established pursuant to this chapter.

"Qualifying part-time employee" means any person who would qualify as a state employee as defined in § 51.1-124.3 but, rather than being regularly employed full time on a salaried basis, is regularly employed part time for at least twenty hours but less than forty hours per week on a salaried basis.

"State service" means the employee's total period of state service as an eligible employee, including all periods of classified full-time and classified part-time service and periods of leave without pay, but not including periods during which the employee did not meet the definition of an eligible employee.

"Total disability" exists (i) during the first twenty-four months following the occurrence or commencement of an illness or injury if an employee is unable to perform all of his essential job functions or (ii) after twenty-four months following the occurrence or commencement of an illness or

183 injury if an employee is unable to perform any job for which he is reasonably qualified based on his
184 training or experience and earning less than eighty percent of his predisability earnings.

185 "Work-related injury" means an injury, as such term is defined in § 65.2-101, to a participating
186 employee for which benefits are payable under the Act and the Commonwealth is the employer for
187 purposes of the Act.

188 In addition to the definitions listed above, the definitions listed in § 51.1-124.3 shall apply to this
189 chapter except as otherwise provided.

190 § 51.1-1103. Participation in the program.

191 A. All prior elections to participate in the program shall be irrevocable.

192 B. 1. Except for eligible employees who are employed by an institution of higher education in a
193 faculty position performing teaching, research or administrative duties, all ~~all~~ eligible employees
194 commencing employment or who are reemployed on or after January 1, 1999, shall participate in the
195 program. The effective date of participation in the program for such employees shall be their first day of
196 employment.

197 2. Except for such employees of an institution of higher education, all eligible employees not
198 participating in the program prior to October 1, 2001, shall participate in the program effective
199 January 10, 2002, unless such employee elects not to participate in the program as provided herein. An
200 election not to participate shall be in writing, and on forms prescribed by the Virginia Retirement
201 System, and shall be received by the Virginia Retirement System during the period commencing on
202 October 1, 2001, but before January 1, 2002. An election not to participate in the program shall be
203 irrevocable and such employee shall be ineligible to participate in the program for the period of his
204 continued employment by the Commonwealth.

205 B. All eligible employees who commenced employment prior to January 1, 1999, may elect to
206 participate in the program. Any election to participate in the program shall be in writing and shall be
207 submitted to the Board or its designee during an enrollment period commencing January 1, 1999, and
208 ending on March 31, 1999. Any election to participate in the program shall be irrevocable. Any such
209 eligible employee who does not elect to participate in the program during the enrollment period shall be
210 ineligible to participate in the program for the period of his continued employment by the
211 Commonwealth. Any eligible employee who does not affirmatively elect to participate in the program
212 shall be deemed to have declined to participate in the program. The effective date of participation in the
213 program for electing employees shall be the first day of the pay period following the delivery of notice
214 of the election to the Board or its designee.

215 C. Any eligible employee who is employed by an institution of higher education in a faculty position
216 performing teaching, research or administrative duties may elect to participate in the program established
217 under this chapter or under an existing program provided by the institution. For eligible employees who
218 commenced employment prior to January 1, 1999, the election shall be in accordance with subsection B.
219 For eligible employees commencing employment or who are reemployed on or after January 1, 1999, an
220 irrevocable decision to participate in either program established under this chapter or the program
221 provided by the institution shall be made not later than ninety days from the time of entry upon the
222 performance of his duties.

223 C. Any eligible employee who is (i) employed by an institution of higher education in a faculty
224 position performing teaching, research or administrative duties prior to October 1, 2001, and (ii) not
225 participating in the program, may elect to participate in the program established under this chapter.
226 Any election to participate in the program shall be in a manner prescribed by the Board and shall be
227 submitted to the Board or its designee during the period commencing on October 1, 2001, but before
228 January 1, 2002. Any eligible employee who does not affirmatively elect to participate in the program
229 shall be deemed to have declined to participate in the program. The effective date of participation in the
230 program for electing employees shall be January 10, 2002. Any eligible employee of an institution of
231 higher education in a faculty position performing teaching, research or administrative duties employed
232 or re-employed on or after October 1, 2001, shall participate in the program unless such employee
233 elects not to participate in the program, in writing and on such forms as prescribed by the Virginia
234 Retirement System, within thirty days from the time of entry upon the performance of his duties. The
235 effective date of participation in the program for such employees shall be the first day following the
236 expiration of such thirty-day period or January 10, 2002, whichever is later.

237 Any eligible employee under this subsection shall participate in the sickness and disability program
238 established by his institution of higher education until such time as the employee participates in the
239 program established under this chapter. If the institution of higher education has not established its own
240 sickness and disability program, such eligible employee shall participate in the program established
241 under this chapter effective on his first day of employment.

242 Any election to participate in the program shall be irrevocable. Any such employee who does not
243 elect to participate in the program during the enrollment period shall be ineligible to participate in the
244 program for the period of his continued employment by the Commonwealth.

D. In addition to the conditions set forth in subsection B, any eligible employee commencing employment or who is reemployed prior to January 1, 1999, who is a member of the retirement system shall select one of the following options at the time of making his election to participate in the program:

1. To convert his sick leave balance as of the effective date of coverage to service credit under the retirement system on the basis of one month of service for each 173 hours of sick leave, rounded to the next highest month; or

2. To convert his sick leave balance as of the effective date of coverage to disability credits as provided in subsection F. The provisions of this subsection shall apply to any eligible employee who participates in the program under the provisions of subdivision B. 2. or subsection C.

1. Any eligible employee, except a person employed by an institution of higher education in a faculty position performing teaching, research or administrative duties, who (i) is a member of the retirement system, and (ii) commenced employment or was reemployed prior to January 1, 1999, shall have his sick leave balances, as of the effective date of coverage in the program, converted to disability credits, as provided in subsection E.

2. Any eligible employee employed by an institution of higher education in a faculty position performing teaching, research or administrative duties who is a member of the retirement system shall have his sick leave balances, as of the effective date of coverage in the program, converted to disability credits, as provided in subsection E.

E3. Any participating eligible employee commencing employment prior to January 1, 1999, who elects to participate in the program and is not a member of the retirement system shall convert his sick leave balance as of the effective date of coverage retirement system shall have his sick leave balances, as of the effective date of coverage in the program, converted to disability credits as provided in subsection EE.

EE. Any participating eligible employee converting his sick leave balance as provided in subdivision D 2 or subsection E D shall receive one hour of disability credit for each hour of sick leave. Disability credits shall be used to continue periods for which the participating employee receives income replacement during periods of short-term and long-term disability at 100 percent of creditable compensation. Disability credits shall be reduced by one day for each day that the participating employee receives short-term or long-term disability benefits.

F. Upon retiring directly from state service and receiving an immediate annuity, the eligible employee's unused disability credits shall be converted to service credit under the retirement system at the rate of one month of service for each 173 hours of disability credits, rounded to the next highest month. Upon leaving state service under any other circumstances, the employee shall be paid for the balance of such disability credits under the same terms and subject to the same conditions as are in effect for the payment of sick leave benefits in the employee's agency on December 31, 1998, unless he elects to have such credits converted to service credit under the retirement system at the rate of one month of service for each 173 hours of disability credits, rounded to the next highest month. Upon entry into long-term disability, the employee may be paid for the balance of such disability credits under the same terms and subject to the same conditions in effect for payment of sick leave benefits in the employee's agency as of December 31, 1998.

G. Eligibility for participation in the program shall terminate upon the earliest to occur of an employee's (i) termination of employment, (ii) death, or (iii) retirement from service. Eligibility for participation in the program shall be suspended during periods that an employee is placed on nonpay status, including leave without pay, if such nonpay status is due to disciplinary action.

§ 51.1-1106. Sick leave benefit for nonparticipating employees.

Eligible employees subject to personnel policies of the Department of Human Resource Management who do not elect not to participate in the program shall receive sick leave benefits in accordance with policies of the Department of Human Resource Management. Eligible employees not subject to personnel policies of the Department of Human Resource Management who do not elect not to participate in the program shall receive sick leave benefits in accordance with policies of their appointing authority.

§ 51.1-1116. Cessation of disability benefits.

If not sooner terminated due to the end of the period of disability coverage as provided in subsection E of § 51.1-1110 or subsection E of § 51.1-1112, disability benefits shall cease to be paid to a participating employee upon the first to occur of the following:

1. The date of death of the participating employee;

2. (i) The participating employee's normal retirement date if the employee is a member of the retirement system or (ii) the date the employee attains age sixty-five if the employee is not a member of the retirement system; or

3. After the first twelve months of long-term disability benefits, the date the participating employee's wages and salary from any employment exceed eighty-five percent of his predisability earnings; or

306 43. The effective date of the participating full-time employee's service retirement under any provision
307 of this title.

308 § 51.1-1127. Cessation of supplemental disability benefits.

309 Supplemental disability benefits shall cease to be paid to a participating employee upon the first to
310 occur of the following:

311 1. The end of the period of supplemental disability coverage as provided in subsection F of
312 § 51.1-1121 or subsection F of § 51.1-1123;

313 2. The date of death of the participating employee;

314 3. On the date benefits under the Act cease to be paid, if the participating employee is a member of
315 the retirement system and is receiving benefits under the Act on his normal retirement date;

316 4. On the date benefits under the Act cease to be paid, if the participating employee is a not a
317 member of the retirement system and is receiving benefits under the Act on the date he attains age
318 sixty-five;

319 5. On his normal retirement date, if the participating employee is a member of the retirement system
320 and is no longer receiving benefits under the Act on his normal retirement date;

321 6. On the date the employee attains age sixty-five, if the participating employee is a not a member of
322 the retirement system and is no longer receiving benefits under the Act; *or*

323 7. ~~After the first twelve months of long-term disability benefits, the date the participating employee's~~
324 ~~wages and salary from any employment exceed eighty-five percent of his predisability earnings; or~~

325 87. The effective date of the participating employee's service retirement under any provision of this
326 title.

327 § 51.1-1131. Supplemental benefits for catastrophic disability.

328 Disability benefits shall be increased to eighty percent of creditable compensation for any disabled
329 participating employee who (i) is unable to perform at least two of the ~~seven~~ six activities of daily
330 living due to a loss of functional capacity or (ii) requires substantial supervision to protect the employee
331 from threats to health and safety as a result of severe cognitive impairment. Determination of whether a
332 participating employee satisfies either of these conditions shall be made in accordance with the policies
333 of the Board or its designee.

334 § 51.1-1135.1. Appeals.

335 ~~In lieu of the provisions of the Administrative Process Act (§ 9-6.14:1 et seq.), the~~ *The Board may*
336 *elect to develop an alternative process to allow appeals of case decisions related to the payment of*
337 *disability payments benefits under this chapter to be made under a process developed by the Board*
338 *which shall be modeled after the claims provisions as provided for in the federal Employee Retirement*
339 *Income Security Act of 1974, as amended. This alternative process shall be modeled after the claims*
340 *provisions as provided for in the federal Employee Retirement Income Security Act of 1974, as amended.*
341 *Articles 3, 3.1, and 5 of the Administrative Process Act (§ 9-6.14:1 et seq.) shall not apply to any*
342 *portion of this alternative appeals process. However, any person aggrieved by, and claiming the*
343 *unlawfulness of, a final case decision issued pursuant to this alternative appeals process, whether issued*
344 *by the Board or by the Board's delegate, shall have a right to seek judicial review thereof. Such judicial*
345 *review shall be in accordance with Article 4 of the Administrative Process Act (§ 9-6.14:15 et seq.).*

346 § 51.1-1140. Funding of program; Disability Insurance Trust Fund established.

347 A. The costs of providing sick leave, family and personal leave, and short-term disability benefits
348 shall be paid by state agencies from funds as shall be appropriated by law to state agencies.

349 B. State agencies shall pay to the Board, from funds as shall be appropriated by law to state
350 agencies, contribution amounts, to be determined by the Board, to provide the Board with such funds as
351 shall be required from time to time to (i) obtain and maintain long-term disability insurance policies
352 under this chapter, and (ii) administer the Program, including providing case management and cost
353 containment programs. Contributions shall be deposited in the Disability Insurance Trust Fund.

354 C. There is hereby established the Disability Insurance Trust Fund. The costs incurred by the Board
355 in providing policies of long-term disability insurance and administering the Program *and in*
356 *administering the long-term care insurance program established under § 51.1-513.2*, including the
357 provision of case management and cost containment programs, shall be withdrawn from time to time by
358 the Board from the Disability Insurance Trust Fund. The funds of the Disability Insurance Trust Fund
359 shall be deemed separate and independent trust funds, shall be segregated from all other funds of the
360 Commonwealth, and shall be invested and administered solely in the interests of the participating
361 employees and beneficiaries thereof. Neither the General Assembly nor any public officer, employee, or
362 agency shall use or authorize the use of such trust funds for any purpose other than as provided in law
363 for benefits, refunds, and administrative expenses, including but not limited to legislative oversight of
364 the Disability Insurance Trust Fund.

365 2. That §§ 51.1-502.2 and 51.1-513.1 of the Code of Virginia are repealed.

366 3. The administration and oversight for the existing long term care insurance contract shall be
367 transferred mutatis mutandis from the Department of Human Resources Management to the

368 Virginia Retirement System effective upon the enactment of this act.

SENATE SUBSTITUTE

HB1909S1