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SENATE BILL NO. 51

Offered January 9, 2008

Prefiled December 20, 2007

A BILL to amend and reenact § 15.2-1517 of the Code of Virginia, relating to insurance for employees and retired employees of localities.

Patrons—Whipple; Delegate: Eisenberg

Referred to Committee on Local Government

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-1517 of the Code of Virginia is amended and reenacted as follows:

§ 15.2-1517. Insurance for employees and retired employees of localities and other local governmental entities; participation by certain volunteers.

A. Any locality may provide group life, accident, and health insurance programs for their officers and employees, and employees of boards, commissions, agencies and authorities created by or controlled by such locality. In addition, *the governing body of any locality that self-funds a health insurance program for its officers and employees may extend coverage under such program to any other class of persons as may be mutually agreed upon by the locality and the policyholder. In addition,* any locality that provides ~~such~~ a health insurance program *pursuant to this section* may allow eligible members of approved volunteer fire or rescue companies, as determined by the locality, to participate in such a health insurance program. Such programs may be through a program of self-insurance, purchased insurance, or partial self-insurance and purchased insurance, whichever is determined to be the most cost effective. The total cost of such policies or protection may be paid entirely by the locality or shared with the employee. The governing body of any locality may provide for its retired officers and retired employees to be eligible for such group life, accident, and health insurance programs. The cost of such insurance for retired officers and retired employees may be paid in whole or in part by the locality. The governing body of any locality may permit members of approved volunteer fire or rescue companies to participate in its group health insurance programs, subject to the eligibility criteria established by the locality. The cost of a volunteer's participation in such a health insurance program shall be paid for in full by the participating volunteer.

B. In the event a county or city elects to provide one or more of such programs for its officers and employees, it shall provide such programs to the constitutional officers and their employees on the same basis as provided to other officers and employees, unless the constitutional officers and employees are covered under a state program, and the cost of such local program shall be borne entirely by the locality or shared with the employee.

C. 1. Except as otherwise provided herein, in the event the governing body of any locality elects to provide group accident and health insurance for its officers and employees, including constitutional officers and their employees, such programs shall require that upon retirement, or upon the effective date of this provision for those who have previously retired, any such individual with (i) at least 15 years of continuous employment with the locality or (ii) less than 15 years of continuous employment who has retired due to line-of-duty injuries may choose to continue his coverage with the insurer at the retiree's expense until such individual attains 65 years of age at the insurer's customary premium rate applicable: (i) to such policies, (ii) to the class of risk to which the person then belongs, and (iii) to his age.

2. The governing body, when providing this coverage, may further provide that the retiree be rated separately from the active employees covered under the group plan offered by such governing body.

3. Any locality which has not offered the opportunity to continue group health coverage provided by the locality as required by subdivision C 1 to its retirees who had retired on or before June 30, 1993, and who meet the criteria for such coverage as set forth in subdivision C 1, shall do so by July 1, 2000. Any retiree from the service of a locality who had retired on or before June 30, 1993, and who meets the criteria to continue his group health coverage from the locality under subdivision C 1 who has not yet elected to continue his group health coverage from the locality shall elect whether to do so by July 1, 2000.

4. Nothing herein shall prohibit a locality from providing group accident and health coverage or benefits for its retirees in addition to that which is required under this section.

D. Any locality which offers group health plans to its employees and the employees of constitutional officers and its retirees, as provided by this section or otherwise, may provide in the plan providing such coverage that any retiree who is participating in a group health plan provided by the locality who subsequently terminates his participation in such plan may not thereafter rejoin a group health plan

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provided by the locality.