

Amendment to SB 495-FN-A

1 Amend the title of the bill by replacing it with the following:

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3 AN ACT relative to the health care premium contribution for retired state employees who
4 are eligible for Medicare Parts A and B due to age or disability, relative to
5 funding of retiree health benefits, making appropriations to the department of
6 administrative services, and relative to the definition of a cigar bar.
7

8 Amend the bill by replacing all after the enacting clause with the following:

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10 1 Department of Administrative Services; State Employees Group Insurance; Retiree Medical
11 Benefits. Amend RSA 21-I:30, II to read as follows:

12 II.(a) The state shall pay a ***partial*** premium for each Medicare-eligible retired employee,
13 as defined in paragraphs VI and VII of this section, and his or her spouse for their lifetimes, toward
14 group hospitalization, hospital medical care, surgical care and other medical benefits plan or a self-
15 funded alternative within the limits of the funds appropriated at each legislative session and
16 providing any change in plan is approved by the fiscal committee of the general court prior to its
17 adoption.

18 (b) Retired employees who are eligible for Medicare may voluntarily cease participation
19 in plan benefits at any time and may reenroll without restriction.

20 2 Department of Administrative Services; State Employees Group Insurance; Retiree Medical
21 Benefits; Premium Contribution. Amend RSA 21-I:30, XIII to read as follows:

22 XIII.(a) The commissioner of administrative services shall invoice and collect from retired
23 state employees and/or each applicable spouse ~~[who are not Medicare-eligible and]~~ receiving medical
24 and surgical benefits provided under this section, who do not receive a retirement allowance as
25 defined in RSA 100-A:1, XXII, [a] ***the*** premium contribution amount ***for either Medicare-eligible***
26 ***or non-Medicare-eligible retiree health benefit plans*** based on a percentage of the total
27 monthly premium attributable to the applicable retiree and/or spouse, as determined by the
28 commissioner of administrative services, with prior approval by the fiscal committee of the general
29 court~~[, provided the percentage is not lower than 12.5 percent]~~. ***Beginning January 1, 2017, the***
30 ***commissioner of administrative services shall determine, with prior approval by the fiscal***
31 ***committee of the general court, a premium contribution amount for Medicare-eligible***
32 ***retiree health benefit plans and a premium contribution amount for non-Medicare-***
33 ***eligible retiree health benefit plans.***

34 (b) The commissioner of administrative services is also authorized to invoice and collect

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1 from such other participants contribution amounts as specified by law.

2 (c) Collected amounts shall be deposited in the employee and retiree benefit risk
3 management fund. Failure to remit payment of the contribution amount in full within 30 days of
4 billing shall be grounds for terminating benefits, effective from the beginning of the billing period.
5 Reenrollment shall be dependent upon payment of any outstanding contribution or other amounts
6 within 6 months of the termination date. If a participant fails to remit payment in full for
7 participation within 30 days of billing, on the 30th day the participant shall be notified by certified
8 mail, return receipt requested, that he or she shall remit payment to the department within 10
9 business days of receiving the letter or his or her benefits shall be terminated effective upon the
10 10th business day after receipt of the letter and that reenrollment shall be dependent upon payment
11 of any outstanding contribution or other amount within 6 months of the termination date.

12 3 New Hampshire Retirement System; Deductions; Retiree Medical Benefits. Amend RSA 100-
13 A:54, III to read as follows:

14 III.(a) The retirement system shall deduct from the monthly retirement allowance of
15 retired state employees and/or each applicable spouse ~~[who are not Medicare eligible and]~~ receiving
16 medical and surgical benefits provided pursuant to RSA 21-I:30, [a] *the* premium contribution
17 amount ***for either Medicare-eligible or non-Medicare-eligible retiree health benefit plans***
18 based on a percentage of the total monthly premium attributable to the applicable retiree and/or
19 spouse, as determined by the commissioner of administrative services with prior approval by the
20 fiscal committee of the general court ~~[provided the percentage is not lower than 12.5 percent]~~ ***under***
21 ***RSA 21-I:30, XIII.***

22 (b) The department of administrative services shall provide information as to the total
23 monthly premium cost for each participant to the retirement system for purposes of calculating this
24 deduction. Deducted amounts, which shall be in addition to and notwithstanding any amounts
25 payable by the retirement system pursuant to RSA 100-A:52, RSA 100-A:52-a, and RSA 100-A:52-b,
26 shall be deposited in the employee and retiree benefit risk management fund. In the event the
27 retiree's monthly allowance is insufficient to cover the certified contribution amount, the retirement
28 system shall so notify the department of administrative services, which shall invoice and collect
29 from the retiree and/or each applicable spouse the remaining contribution amount. Failure to remit
30 payment of the contribution amount in full within 30 days of billing shall be grounds for
31 terminating benefits, effective from the beginning of the billing period. Reenrollment shall be
32 dependent upon payment of any outstanding contribution or other amounts within 6 months of the
33 termination date. The department of administrative services shall provide notice of the termination
34 of benefits as provided in RSA 21-I:30, XIII.

35 4 Judicial Retirement Plan; Deductions; Retiree Health Insurance. Amend RSA 100-C:11-a to
36 read as follows:

37 100-C:11-a Retiree and Spouse Health Insurance Premium Contribution.

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1 ***I.*** Retired judges and their applicable spouses [~~who are not Medicare-eligible and~~] receiving
2 medical and surgical benefits shall be responsible for payment of [a] ***the*** premium contribution
3 amount ***for either Medicare-eligible or non-Medicare-eligible retiree health benefit plans***
4 based on a percentage of the total monthly premium attributable to the applicable retiree and/or
5 spouse, as determined by the commissioner of administrative services, with prior approval by the
6 fiscal committee of the general court[~~, provided the percentage is not lower than 12.5 percent~~]
7 ***under RSA 21-I:30, XIII.***

8 ***II.*** The department of administrative services shall provide information as to the total
9 monthly premium cost for each participant to the judicial retirement plan for purposes of
10 calculating this deduction. The judicial retirement plan shall deduct the payment required under
11 this section from the retiree's monthly retirement allowance. Deducted amounts shall be remitted
12 to the administrative office of the courts within 14 days along with a statement identifying from
13 whom the deduction was made, and shall be used to pay for plan retiree and spouse health care
14 expenses and any administrative costs related thereto.

15 5 Appropriation; Department of Administrative Services; Risk Management; Overtime. In
16 addition to any other sums appropriated, the sum of \$20,000 for the biennium ending June 30, 2017
17 is hereby appropriated to the department of administrative service for the purpose of overtime
18 charged to the risk management accounting unit, class 18. The governor is authorized to draw a
19 warrant for said sum out of any money in the treasury not otherwise appropriated.

20 6 Health Care Consultant Contract; Benefit Plan; Appropriation.

21 I. The commissioner of administrative services is hereby authorized to contract with a
22 health care consultant for the purpose of a long-term design for funding state retiree health benefits
23 and to provide training for state retirees on the benefit plan and its funding. The total amount
24 expended by the department of administrative services for the health care consultant contract,
25 benefit plan design, and training shall not exceed \$300,000.

26 II. The sum of up to \$300,000 for the biennium ending June 30, 2017 is hereby appropriated
27 to the commissioner of the department of administrative services for the purpose of payment for the
28 cost of the contract with the health care consultant under paragraph I. The source of funds for the
29 appropriation shall be the employee and retiree benefit risk management fund under RSA 21-I:30-e.

30 7 New Paragraph; Legislative Budget Assistant; Fiscal Committee; Retiree Health Advisory
31 Council. Amend RSA 14:30-a by inserting after paragraph VI the following new paragraph:

32 VII. The committee shall establish a retiree health advisory council as a subcommittee to
33 the committee. The advisory council shall convene public meetings as needed to review options
34 under consideration for changes to the retiree health plan if additional changes are needed after the
35 new retiree health benefits plan is established. The advisory council shall also receive testimony
36 from retirees and other interested members of the public.

37 8 Appropriation and Charge; Department of Administrative Services; Risk Management;

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Health Plan Costs. In addition to any other sums appropriated, the sum of \$360,000 is appropriated to the department of administrative services, risk management unit, for the biennium ending June 30, 2017 for state retiree health plan costs under RSA 21-I:30. Said appropriations shall be a charge against the following account:

<u>Accounting Unit</u>	<u>Class</u>	<u>Class Name</u>	<u>FY 2016</u>	<u>FY 2017</u>
02-10-10-1000-1880	049	Transfer to Other State Agencies	(\$180,000)	(\$180,000)

9 Contingent Nullification. If SB 388 of the regular 2016 legislative session becomes law, then the amendment to RSA 21-I:30, II as inserted by SB 388, shall not take effect.

10 Liquor Licenses and Fees; Definition of Cigar Bar. Amend RSA 178:20-a, II(d) to read as follows:

(d) Does not allow cigarette smoking or ~~[service-of]~~ food ***to be sold*** on the premises.

11 Effective Date.

I. Section 10 of this act shall take effect 60 days after its passage.

II. The remainder of this act shall take effect upon its passage.

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2016-1805h

AMENDED ANALYSIS

This bill:

I. Requires premium contribution amounts for retiree health benefits for retired state employees who are Medicare eligible, and provides for separate premium contribution rates for Medicare-eligible and non-Medicare eligible retirees to be determined beginning January 1, 2017.

II. Makes an appropriation to the department of administrative services for a health care consultant to design a long-term retiree health care funding plan, and transfers certain judicial branch funds for health plan costs.

III. Nullifies an amendment made by SB 388, relative to public hearings on retiree health plan changes, if it becomes law.

IV. Prohibits the sale of food in a cigar bar licensed by the liquor commission.