

SECOND REGULAR SESSION

SENATE BILL NO. 478

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CROWELL.

Pre-filed December 1, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

4454S.011

AN ACT

To repeal sections 103.005, 103.085, 103.095, 104.1072, 104.1075, and 104.1084, RSMo, and to enact in lieu thereof six new sections relating to employee benefits of certain elected state officials.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 103.005, 103.085, 103.095, 104.1072, 104.1075, and 104.1084, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 103.005, 103.085, 103.095, 104.1072, 104.1075, and 104.1084 to read as follows:

103.005. 1. For the purpose of covering medical expenses of the officers, employees and retirees, the eligible dependents of officers, employees and retirees and to the surviving spouses and children of deceased officers, employees and retirees of the state and participating member agencies of the state, there is hereby created and established a health care plan which shall be a body corporate, which shall be under the management of the board of trustees herein described, and shall be known as the "Missouri Consolidated Health Care Plan". Notwithstanding any provision of law to the contrary, such plan may sue and be sued, transact business, contract, invest funds and hold cash, securities and other property and shall be vested with such other powers as may be necessary or proper to enable it, its officers, employees, and agents to carry out fully and effectively all the purposes of sections 103.003 to 103.175.

2. Notwithstanding any other provision of law to the contrary, any member of the general assembly and any elected state official holding a statewide elective office who first commences to hold his or her respective elective office on or after January 1, 2013, shall be ineligible to receive insurance benefits to cover medical expenses

18 provided under sections 103.003 to 103.175.

103.085. 1. Except as otherwise provided by sections 103.003 to 103.080,
2 medical benefits coverage as provided by sections 103.003 to 103.080 shall
3 terminate when the member ceases to be an active employee; except persons
4 receiving or entitled to receive an annuity or retirement benefit or disability
5 benefit or the spouse of or unemancipated children of deceased persons receiving
6 or entitled to receive an annuity or retirement benefit or disability benefit from
7 the state, participating member agency, institution, political subdivision or
8 governmental entity may elect to continue coverage, provided the individuals to
9 be covered have been continuously covered for health care benefits:

10 (1) Under a separate group or individual policy for the six-month period
11 immediately preceding the member's date of death or disability or eligibility for
12 normal or early retirement; or

13 (2) Pursuant to sections 103.003 to 103.080, since the effective date of the
14 most recent open enrollment period prior to the member's date of death or
15 disability or eligibility for normal or early retirement; or

16 (3) From the initial date of eligibility for the benefits provided by sections
17 103.003 to 103.080; or

18 (4) Within sixty days of a loss of group coverage, provided that such
19 coverage was in place for at least twelve consecutive months immediately prior
20 to the loss and that such loss was due to the dependent's termination of
21 employment or termination of group coverage by the dependent's employer. This
22 subdivision only applies to qualifying dependents of members receiving or entitled
23 to receive an annuity or retirement benefit from the state, participating member
24 agency, institution, political subdivision, or governmental entity. Cost for
25 coverage continued pursuant to this section shall be determined by the board. If
26 an eligible person does not elect to continue the coverage within thirty-one days
27 of the first day of the month following the date on which the eligible person
28 ceases to be an employee, he or she may not later elect to be covered pursuant to
29 this section.

30 **2. Notwithstanding subsection 1 of this section to the contrary,**
31 **if the person described in subsection 1 is a member of the general**
32 **assembly or an elected state official holding a statewide elective office**
33 **who began to hold his or her respective elective office on or after**
34 **January 1, 2013, such person and his or her dependents shall be**
35 **ineligible to receive insurance coverage under the provisions of**

36 subsection 1 of this section.

103.095. 1. Notwithstanding any other provision of law to the contrary,
2 any member of the general assembly and any elected state official holding a
3 statewide elective state office, who ceases to hold elective office, or any person
4 employed by the elected official or employed by a member of the general
5 assembly, whose employment is terminated because such elected official or
6 member of the general assembly ceases to hold elective office, may elect to
7 continue insurance benefits to cover medical expenses provided under sections
8 103.003 to 103.175, by paying the cost of such benefits as determined by the
9 board. If an eligible person does not elect to continue the coverage within thirty-
10 one days from the last day of the month in which the eligible person ceases to be
11 an employee, he may not later elect to be covered under this section.

12 **2. Any member of the general assembly and any elected state**
13 **official holding a statewide elective office who first commences to hold**
14 **his or her respective elective office on or after January 1, 2013, and**
15 **who later ceases to hold elective office, may not elect to continue**
16 **insurance benefits to cover medical expenses provided under sections**
17 **103.003 to 103.175.**

104.1072. 1. Each board shall provide or contract, or both, for life
2 insurance benefits for employees covered pursuant to the year 2000 plan as
3 follows:

4 (1) Employees shall be provided fifteen thousand dollars of life insurance
5 until December 31, 2000. Effective January 1, 2001, the system shall provide or
6 contract or both for basic life insurance for employees covered under any
7 retirement plan administered by the system pursuant to this chapter, persons
8 covered by sections 287.812 to 287.856, for employees who are members of the
9 judicial retirement system as provided in section 476.590, and, at the election of
10 the state highways and transportation commission, employees who are members
11 of the highways and transportation employees' and highway patrol retirement
12 system, in the amount equal to one times annual pay, subject to a minimum
13 amount of fifteen thousand dollars. The board shall establish by rule or contract
14 the method for determining the annual rate of pay and any other terms of such
15 insurance as it deems necessary to implement the requirements pursuant to this
16 section. Annual rate of pay shall not include overtime or any other irregular
17 payments as determined by the board. Such life insurance shall provide for triple
18 indemnity in the event the cause of death is a proximate result of a personal

19 injury or disease arising out of and in the course of actual performance of duty
20 as an employee;

21 (2) Any member who terminates employment after reaching normal or
22 early retirement eligibility and becomes a retiree within sixty days of such
23 termination shall receive five thousand dollars of life insurance coverage.

24 2. (1) In addition to the life insurance authorized by the provisions of
25 subsection 1 of this section, any person for whom life insurance is provided or
26 contracted for pursuant to such subsection may purchase, at the person's own
27 expense and only if monthly voluntary payroll deductions are authorized,
28 additional life insurance at a cost to be stipulated in a contract with a private
29 insurance company or as may be required by a system if the board of trustees
30 determines that the system should provide such insurance itself. The maximum
31 amount of additional life insurance which may be so purchased prior to January
32 1, 2004, is that amount which equals six times the amount of the person's annual
33 rate of pay, subject to any maximum established by a board, except that if such
34 maximum amount is not evenly divisible by one thousand dollars, then the
35 maximum amount of additional insurance which may be purchased is the next
36 higher amount evenly divisible by one thousand dollars.

37 The maximum amount of additional life insurance which may be so purchased on
38 or after January 1, 2004, is an amount to be stipulated in a contract with a
39 private insurance company or as may be required by the system if the board of
40 trustees determines that the system should provide the insurance itself.

41 (2) Any person defined in subdivision (1) of this subsection may retain an
42 amount not to exceed sixty thousand dollars of life insurance following the date
43 of his or her retirement if such person becomes a retiree the month following
44 termination of employment and makes written application for such life insurance
45 at the same time such person's application is made to the board for retirement
46 benefits. Such life insurance shall only be provided if such person pays the entire
47 cost of the insurance, as determined by the board, by allowing voluntary
48 deductions from the member's annuity.

49 (3) In addition to the life insurance authorized in subdivision (1) of this
50 subsection, any person for whom life insurance is provided or contracted for
51 pursuant to this subsection may purchase, at the person's own expense and only
52 if monthly voluntary payroll deductions are authorized, life insurance covering
53 the person's children or the person's spouse or both at coverage amounts to be
54 determined by the board at a cost to be stipulated in a contract with a private

55 insurer or as may be required by the system if the board of trustees determines
56 that the system should provide such insurance itself.

57 (4) Effective July 1, 2000, any member who applies and is eligible to
58 receive an annuity based on the attainment of at least forty-eight years of age
59 with a total of years of age and years of credited service which is at least eighty
60 shall be eligible to retain any optional life insurance described in subdivision (1)
61 of this subsection. The amount of such retained insurance shall not be greater
62 than the amount in effect during the month prior to termination of
63 employment. Such insurance may be retained until the member's attainment of
64 the earliest age for eligibility for reduced Social Security retirement benefits but
65 no later than age sixty-two, at which time the amount of such insurance that may
66 be retained shall be that amount permitted pursuant to subdivision (2) of this
67 subsection.

68 3. The state highways and transportation commission may provide for
69 insurance benefits to cover medical expenses for members of the highways and
70 transportation employees' and highway patrol retirement system. The state
71 highways and transportation commission may provide medical benefits for
72 dependents of members and for retired members. Contributions by the state
73 highways and transportation commission to provide the benefits shall be on the
74 same basis as provided for other state employees pursuant to the provisions of
75 section 104.515. Except as otherwise provided by law, the cost of benefits for
76 dependents of members and for retirees and their dependents shall be paid by the
77 members or retirees. The commission may contract with other persons or entities
78 including but not limited to third-party administrators, health network providers
79 and health maintenance organizations for all, or any part of, the benefits provided
80 for in this section. The commission may require reimbursement of any medical
81 claims paid by the commission's medical plan for which there was third-party
82 liability.

83 4. The highways and transportation employees' and highway patrol
84 retirement system may request the state highways and transportation
85 commission to provide life insurance benefits as required in subsections 1 and 2
86 of this section. If the state highways and transportation commission agrees to the
87 request, the highways and transportation employees' and highway patrol
88 retirement system shall reimburse the state highways and transportation
89 commission for any and all costs for life insurance provided pursuant to
90 subdivision (2) of subsection 1 of this section. The person who is covered

91 pursuant to subsection 2 of this section shall be solely responsible for the costs
92 of any additional life insurance. In lieu of the life insurance benefit in
93 subdivision (2) of subsection 1 of this section, the highways and transportation
94 employees' and highway patrol retirement system is authorized in its sole
95 discretion to provide a death benefit of five thousand dollars.

96 5. To the extent that the board enters or has entered into any contract
97 with any insurer or service organization to provide life insurance provided for
98 pursuant to this section:

99 (1) The obligation to provide such life insurance shall be primarily that
100 of the insurer or service organization and secondarily that of the board;

101 (2) Any member who has been denied life insurance benefits by the
102 insurer or service organization and has exhausted all appeal procedures provided
103 by the insurer or service organization may appeal such decision by filing a
104 petition against the insurer or service organization in a court of law in the
105 member's county of residence; and

106 (3) The board and the system shall not be liable for life insurance benefits
107 provided by an insurer or service organization pursuant to this section and shall
108 not be subject to any cause of action with regard to life insurance benefits or the
109 denial of life insurance benefits by the insurer or service organization unless the
110 member has obtained judgment against the insurer or service organization for life
111 insurance benefits and the insurer or service organization is unable to satisfy
112 that judgment.

113 **6. Notwithstanding any provision of this chapter to the contrary,**
114 **any member of the general assembly or statewide elected official who**
115 **first commences to hold his or her respective office on or after January**
116 **1, 2013, shall not be provided with life insurance benefits under this**
117 **chapter based on service as a member of the general assembly or on**
118 **service as a statewide elected official.**

104.1075. 1. Each board shall provide or contract, or both, for disability
2 income benefits for employees pursuant to sections 104.1003 to 104.1093, and
3 other persons specified by applicable state law, as follows:

4 (1) Definitions of disability and other rules and procedures necessary for
5 the operation and administration of the disability benefit shall be established by
6 each board;

7 (2) An employee may elect to waive the receipt of the disability benefit
8 provided for under this section at any time.

9 2. To the extent that each board enters or has entered into any contract
10 with any insurer or service organization to provide the disability benefits
11 provided for pursuant to this section:

12 (1) The obligation to provide such disability benefits shall be primarily
13 that of the insurer or service organization and secondarily that of the board;

14 (2) Any member who has been denied disability benefits by the insurer or
15 service organization and has exhausted all appeal procedures provided by the
16 insurer or service organization may appeal such decision by filing a petition
17 against the insurer or service organization in a court of law in the member's
18 county of residence;

19 (3) The board and the system shall not be liable for the disability benefits
20 provided for by an insurer or service organization pursuant to this section and
21 shall not be subject to any cause of action with regard to disability benefits or the
22 denial of disability benefits by the insurer or service organization unless the
23 member has obtained judgment against the insurer or service organization for
24 disability benefits and the insurer or service organization is unable to satisfy that
25 judgment.

26 **3. Notwithstanding any provision of this chapter to the contrary,**
27 **any member of the general assembly or statewide elected official who**
28 **first commences to hold his or her respective office on or after January**
29 **1, 2013, shall not be provided with disability income benefits under this**
30 **chapter based on service as a member of the general assembly or on**
31 **service as a statewide elected official.**

104.1084. 1. For members of the general assembly, the provisions of this
2 section shall supplement or replace the indicated other provisions of the year
3 2000 plan. "Normal retirement eligibility" means attainment of age fifty-five for
4 a member who has served at least three full biennial assemblies or the
5 attainment of at least age fifty for a member who has served at least three full
6 biennial assemblies with a total of years of age and years of credited service
7 which is at least eighty. A member shall receive two years of credited service for
8 every full biennial assembly served. A full biennial assembly shall be equal to
9 the period of time beginning on the first day the general assembly convenes for
10 a first regular session until the last day of the following year. If a member serves
11 less than a full biennial assembly, the member shall receive credited service for
12 the pro rata portion of the full biennial assembly served.

13 2. For the purposes of section 104.1024, the normal retirement annuity

14 of a member of the general assembly shall be an amount for life equal to one
15 twenty-fourth of the monthly pay for a senator or representative on the annuity
16 starting date multiplied by the years of credited service as a member of the
17 general assembly. In no event shall any such member or eligible beneficiary
18 receive annuity amounts in excess of one hundred percent of pay.

19 3. To be covered by the provisions of section 104.1030, or section 104.1036,
20 a member of the general assembly must have served at least three full biennial
21 assemblies.

22 4. For members who are statewide elected officials, the provisions of this
23 section shall supplement or replace the indicated other provisions of the year
24 2000 plan. "Normal retirement eligibility" means attainment of age fifty-five for
25 a member who has served at least four years as a statewide elected official, or the
26 attainment of age fifty with a total of years of age and years of such credited
27 service which is at least eighty.

28 5. For the purposes of section 104.1024, the normal retirement annuity
29 of a member who is a statewide elected official shall be an amount for life equal
30 to one twenty-fourth of the monthly pay in the highest office held by such member
31 on the annuity starting date multiplied by the years of credited service as a
32 statewide elected official not to exceed twelve years.

33 6. To be covered by the provisions of sections 104.1030 and 104.1036, a
34 member who is a statewide elected official must have at least four years as a
35 statewide elected official.

36 7. The provisions of section 104.1045 shall not apply to persons covered
37 by the general assembly and statewide elected official provisions of this
38 section. Persons covered by the general assembly provisions and receiving a year
39 2000 plan annuity shall be entitled to a cost-of-living adjustment (COLA) when
40 there are increases in pay for members of the general assembly. Persons covered
41 by the statewide elected official provisions and receiving a year 2000 plan annuity
42 shall be entitled to COLAs when there are increases in the pay for statewide
43 elected officials in the highest office held by such person. The COLA described
44 in this subsection shall be equal to and concurrent with the percentage increase
45 in pay as described in section 105.005. No COLA shall be less than zero.

46 8. Any member who serves under this chapter as a member of the general
47 assembly or as a statewide elected official on or after August 28, 1999, shall not
48 be eligible to receive any retirement benefits from the system under either the
49 closed plan or the year 2000 plan based on service rendered on or after August

50 28, 1999, as a member of the general assembly or as a statewide elected official
51 if such member is convicted of a felony that is determined by a court of law to
52 have been committed in connection with the member's duties either as a member
53 of the general assembly or as a statewide elected official, unless such conviction
54 is later reversed by a court of law.

55 9. A member of the general assembly who has purchased or transferred
56 creditable service shall not be subject to the cap on benefits pursuant to
57 subsection 2 of this section for that portion of the benefit attributable to the
58 purchased or transferred service.

59 **10. Notwithstanding any provision of this chapter to the**
60 **contrary, any member of the general assembly who first becomes a**
61 **member of the general assembly on or after January 1, 2013, shall not**
62 **be eligible for retirement benefits under this chapter based on service**
63 **as a member of the general assembly. A retiree who first becomes a**
64 **member of the general assembly on or after January 1, 2013, shall not**
65 **receive an annuity payment for any calendar month in which the**
66 **retiree is a member of the general assembly and shall not be eligible to**
67 **accrue additional benefits based on service as a member of the general**
68 **assembly.**

69 **11. Notwithstanding any provision of this chapter to the**
70 **contrary, any statewide elected official who first becomes a statewide**
71 **elected official on or after January 1, 2013, shall not be eligible for**
72 **retirement benefits under this chapter based on service as a statewide**
73 **elected official. A retiree who first becomes a statewide elected official**
74 **on or after January 1, 2013 shall not receive an annuity payment for**
75 **any calendar month in which the retiree is a statewide elected official**
76 **and shall not be eligible to accrue additional benefits based on service**
77 **as a statewide elected official.**

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