

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 477

Introduced by Wightman, 36

Read first time January 17, 2007

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to government; to amend section 84-1611,
2 Reissue Revised Statutes of Nebraska; to change
3 state contributions to employee health benefit plans
4 as prescribed; to state intent regarding political
5 subdivision contributions; to provide for reduction of
6 state aid; and to repeal the original section.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 84-1611, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 84-1611 ~~(1)~~ (1)(a) For any contract period or periods
4 beginning on or after ~~July 1, 1995,~~ July 1, 2008, and before
5 July 1, 2009, the state shall ~~make the following contributions~~
6 contribute, from the various funds toward payment of a health
7 insurance or health maintenance organization program which may
8 include coverage for dependents, seventy-eight percent of the total
9 cost of the plan for the option and coverage chosen by the
10 employee. ÷

11 (b) For any contract period or periods beginning on or
12 after July 1, 2009, and before July 1, 2010, the state shall
13 contribute, from the various funds toward payment of a health
14 insurance or health maintenance organization program which may
15 include coverage for dependents, seventy-seven percent of the total
16 cost of the plan for the option and coverage chosen by the
17 employee.

18 (c) For any contract period or periods beginning on or
19 after July 1, 2010, and before July 1, 2011, the state shall
20 contribute, from the various funds toward payment of a health
21 insurance or health maintenance organization program which may
22 include coverage for dependents, seventy-six percent of the total
23 cost of the plan for the option and coverage chosen by the
24 employee.

25 (d) For any contract period or periods beginning on or

1 after July 1, 2011, the state shall contribute, from the various
2 funds toward payment of a health insurance or health maintenance
3 organization program which may include coverage for dependents,
4 seventy-five percent of the total cost of the plan for the option
5 and coverage chosen by the employee.

6 ~~(a) For any employee with a service date of May 4, 1993,~~
7 ~~or after, the state shall pay seventy-nine percent of the total~~
8 ~~cost which was in effect on July 1, 1994, for the plan, option,~~
9 ~~and coverage chosen by the employee. For any plan effective on or~~
10 ~~after July 1, 1995, and for any employee with a service date of May~~
11 ~~4, 1993, or after, the state shall pay seventy-nine percent of the~~
12 ~~total cost of the plan as of the effective date of the plan for the~~
13 ~~option and coverage chosen by the employee;~~

14 ~~(b) For any employee who has a change in plan, option,~~
15 ~~or coverage after April 25, 1993, the state shall pay seventy-nine~~
16 ~~percent of the total cost which was in effect on July 1, 1994, for~~
17 ~~the plan, option, and coverage chosen by the employee. For any plan~~
18 ~~effective on or after July 1, 1995, and for any employee who has a~~
19 ~~change in plan, option, or coverage after April 25, 1993, the state~~
20 ~~shall pay seventy-nine percent of the total cost of the plan as of~~
21 ~~the effective date of the plan for the option and coverage chosen~~
22 ~~by the employee;~~

23 ~~(c) For any employee who is required to change health~~
24 ~~carriers because of the termination of the plan and who does not~~
25 ~~change either the option or coverage, the state shall pay an amount~~

1 equal to seventy-nine percent of the total cost which was in effect
2 on July 1, 1994, for the optional major medical plan for the
3 same coverage as the plan chosen by the employee, subject to the
4 limitations in subsection (2) of this section,

5 (d) For any employee who chooses any coverage of the
6 preferred provider organization plan, the state shall pay an amount
7 equal to seventy-nine percent of the total cost which was in effect
8 on July 1, 1994, for the optional major medical plan for the same
9 coverage chosen by the employee, and

10 (e) For all other employees, except as limited in
11 subsection (2) of this section, the state shall pay an amount
12 equal to seventy-nine percent of the total cost which was in effect
13 on July 1, 1994, for the optional major medical plan for the same
14 coverage as the plan chosen by the employee.

15 (2)(a) (2) Under no circumstances shall the state's
16 contribution exceed the actual cost of the plan, option, and
17 coverage chosen by the employee.

18 (b) The state's contribution shall not be less than
19 seventy-nine percent of the total cost which was in effect on July
20 1, 1994, for the plan, option, and coverage chosen by the employee.

21 (3) For purposes of this section, (a) coverage shall
22 mean the rate categories of one-party, two-party, four-party, and
23 family, as offered under any contract entered into for medical
24 benefits, (b) option shall mean one of the choices of levels of
25 medical and other benefits offered by a carrier, and (c) service

1 date shall mean the date maintained in the Nebraska employees
2 information system and used for calculating vacation and sick leave
3 benefits.

4 (4) If any provision of this section varies from the
5 terms of a labor contract, the terms of the labor contract shall
6 prevail for the employees covered by the labor contract.

7 Sec. 2. (1) It is the intent of the Legislature that a
8 political subdivision which receives state aid should contribute
9 to employee health benefit plans in an amount comparable to that
10 provided in section 84-1611 for state employees. Further, it is the
11 intent of the Legislature that by 2012 such political subdivisions
12 will contribute no more than seventy-five percent of the cost
13 of the employee health benefit plan option chosen by political
14 subdivision employees.

15 (2) In order to achieve the purposes and intent of
16 this section, for contract periods beginning on or after the
17 date specified in the following table, political subdivision
18 contributions to employee health benefit plans shall not exceed
19 the percentage in the table without a percentage reduction in state
20 aid to the political subdivision.

<u>Contract Year</u>	<u>Percentage</u>	<u>Percentage of State</u>
	<u>Limit for</u>	<u>Aid Reduction in</u>
	<u>Employer</u>	<u>Following Fiscal</u>
	<u>Contribution</u>	<u>Year</u>
21 <u>July 1, 2008</u>	22 <u>90</u>	23 <u>.5</u>

1	<u>July 1, 2009</u>	<u>85</u>	<u>1</u>
2	<u>July 1, 2010</u>	<u>80</u>	<u>1.5</u>
3	<u>July 1, 2011, and after</u>	<u>75</u>	<u>2</u>

4 If a political subdivision contributes a greater
5 amount than provided in the table, state aid provided to the
6 political subdivision pursuant to the Tax Equity and Educational
7 Opportunities Support Act and sections 77-27,136 to 77-27,139.04
8 and 85-1536 to 85-1538 shall be reduced by the percentage provided
9 in the table in the following fiscal year.

10 (3) For purposes of this section, political subdivision
11 means a county, municipal county, city, village, natural resources
12 district, community college, and school district.

13 Sec. 3. Original section 84-1611, Reissue Revised
14 Statutes of Nebraska, is repealed.