

Amendment No. 2 to SB0607

**Niceley
Signature of Sponsor**

AMEND Senate Bill No. 607*

House Bill No. 648

by adding the following language as a new section to SECTION 2 of the bill:

8-27-210.

(a) This section shall apply only to persons whose initial employment or service with the state commenced on or after July 1, 2015.

(b) Notwithstanding any law or rule to the contrary, if a state employee with not less than two (2) years of employment in state government leaves employment with the state, then the state employee may continue to participate in the health benefit as established in § 8-27-205(a); provided, that the employee pays one hundred percent (100%) of the premium for the health insurance benefit. The division of benefits administration of the department of finance and administration is authorized to collect a two percent (2%) administration fee for the extension of coverage authorized pursuant to this section.

(c) A state employee is eligible for coverage under this section if the employee leaves employment for any reason, voluntarily or involuntarily, unless for gross misconduct as determined by the division of benefits administration of the department of finance and administration.

(d) A state employee may continue to participate in the health benefit until the earlier of the date the person becomes:

- (1) Eligible for Medicare; or
- (2) Insured with another group health plan.

AND FURTHER AMEND by adding the following language as a new section to SECTION 3 of the bill:

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8-27-307.

(a) This section shall apply only to persons whose initial employment or service with the local education agency commenced on or after July 1, 2015.

(b) Notwithstanding any law or rule to the contrary, if a local education employee with not less than two (2) years of employment in a local education agency leaves employment with a local education agency, then the local education employee may continue to participate in the health benefit as established in § 8-27-305(a); provided, that the employee pays one hundred percent (100%) of the premium for the health insurance benefit. The plan administrator is authorized to collect a two percent (2%) administration fee for the extension of coverage authorized pursuant to this section.

(c) A local education employee is eligible for coverage under this section if the employee leaves employment for any reason, voluntarily or involuntarily, unless for gross misconduct as determined by the local education agency.

(d) A local education employee may continue to participate in the health benefit until the earlier of the date the person becomes:

- (1) Eligible for Medicare; or
- (2) Insured with another group health plan.

AND FURTHER AMEND by adding the following language as a new section to SECTION 4 of the bill:

8-27-707.

(a) This section shall apply only to persons whose initial employment or service with the local government commenced on or after July 1, 2015.

(b) Notwithstanding any law or rule to the contrary, if an employee of local government with not less than two (2) years of employment in local government leaves employment with the local government, then the local government employee may continue to participate in the health benefit as established in § 8-27-705(a); provided, that the employee pays one hundred percent (100%) of the premium for the health insurance benefit. The plan administrator is authorized to collect a two percent (2%) administration fee for the extension of coverage authorized pursuant to this section.

(c) A local government employee is eligible for coverage under this section if the employee leaves employment for any reason, voluntarily or involuntarily, except for gross misconduct as determined by the local government.

(d) A local government employee may continue to participate in the health benefit until the earlier of the date the person becomes:

- (1) Eligible for Medicare; or
- (2) Insured with another group health plan.

AND FURTHER AMEND by deleting subsection (e) of § 8-27-205 in SECTION 2 of the bill as amended and substituting instead the following:

(e) The retiree coverage authorized under this section shall be fully paid by any retiree whose employment with the state commenced on or after July 1, 2015. Any retiree whose first employment with the state commenced before July 1, 2015, and who returns to state service after that date shall not be prohibited from participating in the cost sharing provisions of § 8-27-205(b)(1); provided, that the retiree did not accept a lump sum payment from the Tennessee consolidated retirement system before July 1, 2015.

AND FURTHER AMEND by deleting subsection (e) of § 8-27-305 in SECTION 3 of the bill and substituting instead the following:

(e) The retiree coverage authorized under this section shall be fully paid by any retiree whose employment with a participating agency commenced on or after July 1,

2015. Any retiree whose first employment with a participating agency commenced before July 1, 2015, and who returns to service with a participating agency after that date shall not be prohibited from participating in the cost sharing provisions of § 8-27-305(c)(1); provided, that the retiree did not accept a lump sum payment from the Tennessee consolidated retirement system before July 1, 2015.

AND FURTHER AMEND by deleting subsection (c) of § 8-27-705 in SECTION 4 of the bill and substituting instead the following:

(c) The retiree coverage authorized under this section shall be fully paid by any retiree whose employment with the participating local government agency commenced on or after July 1, 2015. Any retiree whose first employment with the participating local government agency commenced before July 1, 2015, and who returns to service with the participating local government agency after that date shall not be prohibited from participating in the cost sharing provisions determined by the local government agency; provided, that the retiree did not accept a lump sum payment from the Tennessee consolidated retirement system before July 1, 2015.