

LEGISLATIVE BILL 789

Approved by the Governor March 27, 1974

Introduced by Nebraska Retirement Systems Committee, Whitney, 44, Chmn.; F. Lewis, 45; Hasekroock, 18; Goodrich, 20; Luedtke, 28; Marvel, 33

AN ACT to amend sections 44-1620, 44-1623, 44-1624, 44-1625, 44-1626, 44-1627, and 44-1628, Revised Statutes Supplement, 1973, relating to group insurance; to clarify terms; to provide for part-time employees; to change financing provisions; to provide for payroll deductions; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 44-1620, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1620. There is hereby established a program of group life and health insurance for all permanent ~~full-time~~ employees of this state, ~~who work one half or more of the regularly scheduled hours during each pay period,~~ excluding employees of the University of Nebraska, the state colleges, and the technical community colleges. Such program shall be known as the Nebraska State Insurance Program and shall replace any current program of such insurance in effect in any agency and funded in whole or in part by state ~~contributions excepting only those programs for which contributions by the state are required as a condition of receipt of federal funds contributions.~~

Sec. 2. That section 44-1623, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1623. Out of appropriations made for that purpose, the Director of Personnel shall (1) first enter into a contract providing, entirely at state expense, five thousand dollars of basic life insurance protection, and (2) apply the balance to the purchase of a contract of group health insurance to be financed ~~in part~~ by the state ~~and in part to the extent that appropriations made for that purpose are available and, if necessary, by contributions from each employee.~~ Each such contract shall provide insurance coverage for each employee specified in section 44-1620. Participation in the program of group health insurance shall be optional with the employee.

Sec. 3. That section 44-1624, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1624. The group life insurance contract or contracts may permit the extension of special benefits, such as accidental death ~~and dismemberment~~ benefits, amounts of life insurance in addition to the amount provided in section 44-1623, and the extension of coverage to dependents. Any coverage under this section shall be borne solely by the employee.

Sec. 4. That section 44-1625, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1625. The group health insurance contract or contracts may permit the extension of special benefits, such as ~~major medical~~ insurance over and above ~~any that~~ provided by the basic coverage specified in section 44-1623, accidental death and dismemberment ~~benefits~~, disability income replacement benefits, and the extension of coverage to dependents. Any coverage under this section shall be borne solely by the employee.

Sec. 5. That section 44-1626, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1626. The special coverages permitted by sections 44-1624 and 44-1625 shall be made available uniformly to all employees, but each employee shall retain the option to choose the special coverage or coverages which he desires or to reject all such special coverages. The life insurance coverages provided by section 44-1623 shall be mandatory.

Sec. 6. That section 44-1627, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1627. The coverages provided for by sections 44-1620 to 44-1632 shall be afforded to each permanent full-time state employee who works one half or more of the regularly scheduled hours during each pay period, commencing at the beginning of the first pay period after thirty days of such employment. Employees who are employed less than the regularly scheduled hours shall be entitled to state contributions on a proportionately reduced basis. No coverages provided for by sections 44-1620 to 44-1632 shall be afforded to any employee after attainment of age sixty-five. The life and health insurance coverages provided by sections 44-1620 to 44-1632 shall be totally independent of one another and the loss experience and the rates for the ~~various two~~ coverages shall be maintained separate and apart from one another.

Sec. 7. That section 44-1628, Revised Statutes Supplement, 1973, be amended to read as follows:

44-1628. No agency shall provide for its employees any program of life or health insurance supplementary to that provided under sections 44-1620 to 44-1632, except as provided in sections 44-1620, 44-1624, and 44-1625. The provisions of this section shall not deny an employee the right to purchase through payroll deduction entirely at his own expense individual life and health insurance programs other than those provided under sections 44-1620 to 44-1632.

Sec. 8. That original sections 44-1620, 44-1623, 44-1624, 44-1625, 44-1626, 44-1627, and 44-1628, Revised Statutes Supplement, 1973, are repealed.

Sec. 9. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.