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Bill Analysis
Legislative Service Commission

H.B. 185

125th General Assembly
(As Reported by H. State Government)

Reps. Schmidt, Allen, Setzer, Seitz, Aslanides, C. Evans, Olman, Schneider, Schaffer, Raga, Webster, Skindell

BILL SUMMARY

- Permits the state and political subdivisions to pay some or all of the premium for their elected officers' and employees' long-term care insurance.

CONTENT AND OPERATION

Current law

Current law authorizes the Department of Administrative Services to enter into a contract for the purchase of a long-term care insurance policy covering all state employees who are paid directly by warrant of the Auditor of State, including elected state officials (R.C. 124.84(A)).¹ Current law also authorizes any political subdivision to enter into a contract for the purchase of a long-term care insurance policy covering all of its elected officials and employees (R.C. 124.841(B)). In both of these situations, an elected official or employee who chooses to participate in the policy is responsible for paying the *entire* premium charged, which is deducted from the official's or employee's salary or wage and remitted directly to

¹ "Long-term care insurance" means an insurance policy designed to provide coverage for not less than one year, on an expense-incurred, indemnity, prepaid, or other basis, for one or more medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services that are provided in a setting other than an acute care unit of a hospital. It does not include any insurance policy that is offered primarily to provide basic Medicare supplement coverage, basic hospital expense coverage, basic medical-surgical expense coverage, hospital confinement indemnity coverage, major medical expense coverage, disability income protection coverage, accident only coverage, specified disease or specified accident coverage, or limited benefit health coverage. (R.C. 3923.41(A), not in the bill.)

the insurance company or health insuring corporation involved (R.C. 124.84(B) and 124.841(B)).²

Changes proposed by the bill

The bill provides that, when an elected official or employee of the state or a political subdivision participates in a long-term care insurance policy, the state, in the case of a state official or employee, and the political subdivision, in the case of its official or employee, may pay *all or a portion* of the premium charged (R.C. 124.84(B) and 124.841(D)). In the case of a state elected official or employee, the manner or manners of payment of all or any portion of the premium charged to the participant, or to his or her participating dependents or family members, must be determined by the Department of Administrative Services; the bill is not entirely clear whether this determination must be made in the rules the Department is required to adopt to govern the purchase of long-term care insurance or may be made outside of those rules (R.C. 124.84(B) and (E)). In the case of an elected official or employee of a political subdivision, the political subdivision must establish the manner or manners of payment for participants and the political subdivision (R.C. 125.841(D)).

The bill also specifically authorizes in the Township Law any board of township trustees to negotiate and contract for the purchase of a long-term care insurance policy for township officers and employees in accordance with the provisions described above that authorize all political subdivisions (including townships--R.C. 9.833(A) and 124.841(A)(2)) to contract for the purchase of such a policy (R.C. 505.60(A)). In the case of a township that contracts for such a policy, it appears the board of township trustees must procure coverage for all township elected officials and employees. Generally, under the Township Law, when the board procures specified types of health care insurance policies, it must provide uniform coverage for township officers and full-time township employees as well as their immediate dependents, and may provide coverage for part-time township employees and their immediate dependents (R.C. 505.60(B)).

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	05-14-03	p. 475
Reported, H. State Gov't	10-15-03	p. 1116

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² *In the case of a state official or employee, participation in the policy may include the individual's dependents and family members (R.C. 124.84(B)).*

