

HB 1583 -- Missouri State Employees' Retirement System Medical Benefits

Sponsor: Jones (117)

This bill changes the laws regarding the Missouri State Employees' Retirement System (MOSERS) to allow for a medical insurance and retirement incentive for certain state employees who are eligible for state-sponsored medical benefits. In its main provisions, the bill:

(1) Allows an employee who retires by September 1, 2010, to elect to continue coverage for himself or herself at the same cost as if the retiree was an active employee until January 1, 2015, or until the retiree is eligible for Medicare, whichever occurs first. The cost will revert to the applicable retiree rate on January 1, 2015, or when the retiree becomes Medicare eligible. Dependent coverage will be at the applicable rate for a retiree;

(2) Allows the governing body of any participating member agency to provide the medical coverage specified in the bill so that employees or retirees will be eligible to apply the medical coverage to their current benefits;

(3) Allows the governing boards of Truman State University, Lincoln University, and any educational institution listed in Section 174.020, RSMo; the Highways and Transportation Commission; and the Conservation Commission to provide their employees or retirees the same medical coverage as specified in the bill;

(4) Allows current employees who are receiving creditable service and are eligible to receive a normal annuity beginning on or after January 1, 2010, but no later than September 1, 2010, or an employee who terminated coverage on or after December 1, 2009, and retired with a normal annuity within 60 days of termination or a retiree whose normal retirement annuity commenced on or after January 1, 2010, but no later than September 1, 2010, to be eligible to receive medical coverage. This benefit will not apply to any employee eligible to retire based solely on early retirement eligibility;

(5) Allows departments to rehire for positions that are vacated due to the election to retire; however, the departments will be limited to using no more than 50% of the personal service funds of those positions vacated. This provision will not apply to Truman State University, Lincoln University, or any educational institution listed in Section 174.020; and

(6) Requires MOSERS and the Missouri Consolidated Health Care Plan (MCHCP) to report in writing by October 31, 2010, to the Commissioner of the Office of Administration on the number of state employees eligible to retire and the premium costs associated with those who retire under these provisions. The commissioner will report this information annually to the Governor and General Assembly by January 31, 2011, through January 31, 2015. The report will include an analysis of the costs and savings resulting from the retirements and the amount of payroll and positions reduced.

The bill contains an emergency clause.