

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1922
96TH GENERAL ASSEMBLY

5828L.07C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 103.005, 103.079, 104.110, 104.170, 104.270, 104.372, 104.515, 104.517, 104.625, 104.801, 104.805, 104.806, 104.810, and 104.1072, RSMo, and to enact in lieu thereof eighteen new sections relating to the Missouri department of transportation and highway patrol health care plan, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 103.005, 103.079, 104.110, 104.170, 104.270, 104.372, 104.515, 2 104.517, 104.625, 104.801, 104.805, 104.806, 104.810, and 104.1072, RSMo, are repealed and 3 eighteen new sections enacted in lieu thereof, to be known as sections 103.005, 103.079, 4 103.1000, 103.1005, 103.1010, 103.1015, 103.1020, 104.110, 104.170, 104.270, 104.372, 5 104.515, 104.517, 104.625, 104.805, 104.806, 104.810, and 104.1072, to read as follows:

103.005. For the purpose of covering medical expenses of the officers, employees and 2 retirees, the eligible dependents of officers, employees and retirees and to the surviving spouses 3 and children of deceased officers, employees and retirees of the state and participating member 4 agencies of the state, there is hereby created and established a health care plan which shall be a 5 body corporate, which shall be under the management of the board of trustees herein described, 6 and shall be known as the "Missouri Consolidated Health Care Plan". Notwithstanding any 7 provision of law to the contrary, such plan may sue and be sued, transact business, contract, 8 invest funds and hold cash, securities and other property and shall be vested with such other 9 powers as may be necessary or proper to enable it, its officers, employees, and agents to carry 10 out fully and effectively all the purposes of sections 103.003 to 103.175, **except that sections** 11 **103.1000 to 103.1020 shall be excluded.**

103.079. **1.** The health care programs sponsored by the departments of transportation, 2 **state highway patrol**, and conservation shall become a part of this plan only upon request to and

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

3 acceptance by the board of trustees by the Highways and Transportation Commission, **the**
4 **superintendent of the state highway patrol**, or the conservation commission and any such
5 transfer into this plan shall be deemed reviewable by such department every three years. Such
6 department may withdraw from the plan upon approval by such department's commission **or**
7 **superintendent** and by providing the board a minimum of six months' notice prior to the end
8 of the then current plan year and termination of coverage will become effective at the end of the
9 then current plan year. For any of the foregoing state agencies choosing to participate, the plan
10 shall not assume responsibility for any liabilities incurred by the agency or its eligible employees,
11 retirees, or dependents prior to its effective date.

12 **2. The board shall conduct an actuarial analysis and report to the general assembly,**
13 **on or before December 31, 2012, of the feasibility of including in this plan the health plans**
14 **sponsored by the departments of transportation and conservation. The plan and the health**
15 **plan sponsored by the department of transportation shall provide the actuary the data and**
16 **funding needed to perform the actuarial analysis.**

103.1000. Beginning January 1, 2013, the state Highways and Transportation
2 **Commission and the superintendent of the state highway patrol shall provide for benefits**
3 **to cover medical expenses for members of the closed plan and members, retirees, and**
4 **vested former members of the year 2000 plan of the highways and transportation**
5 **employees' and highway patrol retirement system. Contributions by the state Highways**
6 **and Transportation Commission and the superintendent of the state highway patrol to**
7 **provide the benefits shall be on the same basis as provided for other state employees under**
8 **the provisions of section 104.515. The cost of benefits for dependents of retirees shall be**
9 **paid by the retirees under section 103.1015. The commission and superintendent may**
10 **contract with other persons or entities including but not limited to third-party**
11 **administrators, health network providers, and health maintenance organizations for all or**
12 **any part of the benefits provided for in this section. The commission and the**
13 **superintendent may require reimbursement of any medical claims paid by the**
14 **commission's medical plan for which there was third-party liability.**

103.1005. 1. For the purposes of sections 103.1000 to 103.1020, the term
2 **"members" means individuals covered under the Missouri department of transportation**
3 **and highway patrol health care plan that include the following:**

4 **(1) A member of the Missouri department of transportation and highway patrol**
5 **employees' retirement system, as defined in section 104.010 and a member, retiree, or**
6 **former vested member of the Missouri department of transportation and highway patrol**
7 **employees' retirement system, as defined in section 104.1003;**

8 (2) At the member's election, a spouse or dependent child of the member. Such
9 spouse or child shall be able to participate in the program of insurance benefits to cover
10 medical expenses under the provisions of sections 103.1000 to 103.1020; or

11 (3) An individual who was a lawful spouse or a dependent of a member described
12 in subdivision (1) of this subsection, and enrolled in the Missouri department of
13 transportation and highway patrol health care plan at the time of death of the deceased
14 member, and meets the eligibility requirements of the health care plan. Such individual
15 may continue to receive benefits to cover medical expenses at the rate which would have
16 been applicable to the member.

17 2. For the purposes of sections 103.1000 to 103.1020, "board of trustees" or
18 "board" means the body established to provide for the general administration of the
19 Missouri department of transportation and highway patrol health care plan. The board
20 shall be comprised of the following eight members:

21 (1) Three Missouri department of transportation employees appointed by the
22 director and approved by the Highways and Transportation Commission;

23 (2) Three Missouri state highway patrol employees appointed by the
24 superintendent of the state highway patrol;

25 (3) One retired Missouri department of transportation employee appointed by the
26 director and approved by the Highways and Transportation Commission; and

27 (4) One retired Missouri state highway patrol employee appointed by the
28 superintendent of the state highway patrol.

 103.1010. 1. For the purpose of covering medical expenses of the members, there
2 is hereby created and established a health care plan which shall be under the management
3 of the board of trustees herein described, and shall be known as the "Missouri Department
4 of Transportation and Highway Patrol Health Care Plan".

5 2. The board may promulgate rules to implement the provisions of sections
6 103.1000 to 103.1020. Any rule or portion of a rule, as that term is defined in section
7 536.010, that is created under the authority delegated in this section shall become effective
8 only if it complies with and is subject to all of the provisions of chapter 536 and, if
9 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of
10 the powers vested with the general assembly under chapter 536 to review, to delay the
11 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
12 then the grant of rulemaking authority and any rule proposed or adopted after the
13 effective date of this section, shall be invalid and void.

 103.1015. 1. The state Highways and Transportation Commission and the
2 superintendent of the highway patrol shall determine the premium amount for medical

3 **benefits under the Missouri department of transportation and highway patrol health care**
4 **plan required for members based on the recommendations of the board. Such premium**
5 **amount for medical benefits under the Missouri department of transportation and highway**
6 **patrol health care plan shall be the amount which, together with the state's contribution,**
7 **is required to fund the benefits provided by the plan, taking into account necessary**
8 **actuarial reserves. All such premium amounts shall be paid to the board of trustees at the**
9 **time that each member's wages, salary, or benefit would normally be paid. The premium**
10 **amounts so remitted will be placed in the separate account for medical benefits specified**
11 **in section 104.515. In lieu of the availability of premium deductions, the commission and**
12 **the superintendent may establish alternative methods for the collection of premium**
13 **amounts.**

14 **2. Any promulgated rule established by the board regarding the contributions for**
15 **the Missouri department of transportation and highway patrol health care plan shall:**

16 **(1) Base the employer's contribution for eligible members on creditable years of**
17 **service at retirement as certified by the Missouri department of transportation and**
18 **highway patrol employees' retirement system;**

19 **(2) Base the employer's contribution on a rate that multiplies each creditable year**
20 **of service of a member by at least two percent for each creditable year, up to sixty percent**
21 **for thirty years of creditable years of service; and**

22 **(3) For retirees and eligible members that retire prior to January 1, 2013, maintain**
23 **the employer's contribution rate subject to the provision of this section but the rate shall**
24 **not be less than forty percent for such retiree.**

103.1020. Notwithstanding any other law to the contrary, any law enacted by the
2 **general assembly which mandates the coverage of specific health benefits, services, or**
3 **providers in the policies or contracts of insurers, health services corporations, health**
4 **maintenance organizations, or other third-party payors on and after January 1, 1991, shall**
5 **also apply to the health benefit plans of the Missouri state employees' retirement system,**
6 **the Missouri department of transportation and highway patrol employees' retirement**
7 **system, and any other health benefit plan provided by the state on behalf of its employees.**

104.110. 1. Any employee, regardless of the length of time of creditable service, who
2 is affirmatively found by the board to be wholly incapable of performing the duties of the
3 employee's or any other position in the employee's department for which the employee is suited,
4 shall be entitled to receive disability benefits. The disability benefit provided by this subsection
5 shall equal one and six-tenths percent of the employee's average compensation multiplied by the
6 number of years of creditable service of the member. Effective September 1, 2003, no employee

7 is eligible for or shall request or apply for the disability benefit provided pursuant to this
8 subsection.

9 2. Any uniformed member of the highway patrol, highway patrol employee or
10 department of transportation employee, regardless of the length of time of creditable service, who
11 is found by the board to be disabled as a result of injuries incurred in the performance of the
12 employee's duties, shall be entitled to receive an initial disability benefit in an amount equal to
13 seventy percent of the compensation that the employee was receiving on the date preceding the
14 date of disability; provided, however, that the amount of the disability benefit, plus any primary
15 Social Security disability benefits received by such member shall not exceed ninety percent of
16 the monthly compensation such member was receiving on the date preceding the date of
17 disability.

18 3. Any disability benefits payable pursuant to this section shall be decreased by any
19 amount paid to such member for periodic disability benefits by reason of the workers'
20 compensation laws of this state. After termination of payment under workers' compensation,
21 however, disability benefits shall be paid in the amount required by subsections 1, 2, 7, and 9 of
22 this section.

23 4. The board of trustees may require a medical examination of a disabled member at any
24 time by a designated physician, and benefits shall be discontinued if the board finds that such
25 member is able to perform the duties of the member's former position or if such member refuses
26 to submit to a medical examination. Any employee who applies for disability benefits provided
27 pursuant to this section shall provide medical certification acceptable to the board which shall
28 include the date the disability commenced and the expected duration of the disability.

29 5. Any employee who applies for disability benefits pursuant to subsections 2 and 7 of
30 this section shall provide proof of application for Social Security disability benefits. If Social
31 Security disability benefits are denied, the employee shall also provide proof that the employee
32 has requested reconsideration, and upon denial of the reconsideration, that an appeal process is
33 prosecuted.

34 6. The disability benefits provided in this section shall not be paid to any member who
35 retains or regains earning capacity as determined by the board. If a member who has been
36 receiving disability benefits again becomes an employee, the member's disability benefits shall
37 be discontinued.

38 7. The board shall also provide or contract for long-term disability benefits for those
39 members whose disability exists or is diagnosed as being of such nature as to exist for more than
40 one year. The benefits provided or contracted for pursuant to this subsection shall be in lieu of
41 any other benefit provided in this section. The eligibility requirements, benefit period and

42 amount of the disability benefits provided pursuant to this subsection shall be established by the
43 board.

44 8. Definitions of disability and other rules and procedures necessary for administration
45 of the disability benefits provided pursuant to this section shall be established by the board.

46 9. Any member receiving disability benefits pursuant to subsections 1 and 2 of this
47 section shall receive the same cost-of-living increases as granted to retired members pursuant to
48 section 104.103.

49 10. The state Highways and Transportation Commission shall contribute the same
50 amount as provided for all state employees for any person receiving disability benefits pursuant
51 to subsection 2 of this section for medical insurance provided pursuant to section 104.270 **and**
52 **sections 103.1000 to 103.1020.**

53 11. Any member who qualified for disability benefits pursuant to subsection 2 or
54 subsection 7 of this section shall continue to accrue normal annuity benefits based on the
55 member's rate of pay immediately prior to the date the member became disabled in accordance
56 with sections 104.090 and 104.615 as in effect on the earlier of the date the member reaches
57 normal retirement age or the date normal annuity payments commence.

58 12. A member who continues to be disabled as provided in subsection 2 or subsection
59 7 of this section shall continue to accrue creditable service until the member reaches normal
60 retirement age. The maximum benefits period for benefits pursuant to subsections 2 and 7 of this
61 section shall be established by the board. A member who is eligible to retire and does retire
62 while receiving disability benefits pursuant to subsections 2 and 7 of this section shall receive
63 the greater of the normal annuity or the minimum annuity determined pursuant to sections
64 104.090 and 104.615, as if the member had continued in the active employ of the employer until
65 the member's normal retirement age and the member's compensation for such period had been
66 the member's rate of pay immediately preceding the date the member became disabled.

67 13. Any member who was receiving disability benefits from the board prior to August
68 28, 1997, or any member who has submitted an application for disability benefits before August
69 28, 1997, and would have been eligible to receive benefits pursuant to the eligibility
70 requirements which were applicable at the time of application shall be eligible to receive or shall
71 continue to receive benefits in accordance with such prior eligibility requirements until the
72 member again becomes an employee.

73 14. Any member receiving disability benefits pursuant to subsection 1, subsection 2 or
74 subsection 7 of this section shall be eligible to receive death benefits pursuant to the provisions
75 of subsection 1 of section 104.140.

76 The death benefits provided pursuant to this subsection shall be in lieu of the death benefits
77 available to the member pursuant to subsection 2 of section 104.140.

78 15. The board is authorized to contract for benefits in lieu of the benefits provided
79 pursuant to this section.

80 16. To the extent that the board enters or has entered into any contract with any insurer
81 or service organization to provide the disability benefits provided for pursuant to this section:

82 (1) The obligation to provide such disability benefits shall be primarily that of the insurer
83 or service organization and secondarily that of the board;

84 (2) Any employee who has been denied disability benefits by the insurer or service
85 organization and has exhausted all appeal procedures provided by the insurer or service
86 organization may appeal such decision by filing a petition against the insurer or service
87 organization in a court of law in the employee's county of residence; and

88 (3) The board and the system shall not be liable for the disability benefits provided by
89 an insurer or service organization pursuant to this section and shall not be subject to any cause
90 of action with regard to disability benefits or the denial of disability benefits by the insurer or
91 service organization unless the employee has obtained judgment against the insurer or service
92 organization for disability benefits and the insurer or service organization is unable to satisfy that
93 judgment.

94 17. An employee may elect to waive the receipt of any disability benefit provided for
95 pursuant to this section at any time.

96 18. Any member receiving disability benefits pursuant to subsections 1 and 2 of this
97 section shall be eligible for a death benefit of five thousand dollars in addition to any benefits
98 under subsection 14 of this section.

104.170. 1. The board shall elect by secret ballot one member as chair and one member
2 as vice chair at the first board meeting of each year. The chair may not serve more than two
3 consecutive terms beginning after August 13, 1988. The chair shall preside over meetings of the
4 board and perform such other duties as may be required by action of the board. The vice chair
5 shall perform the duties of the chair in the absence of the latter or upon the chair's inability or
6 refusal to act.

7 2. The board shall appoint a full-time executive director, who shall not be compensated
8 for any other duties under the state Highways and Transportation Commission. The executive
9 director shall have charge of the offices and records and shall hire such employees that the
10 executive director deems necessary subject to the direction of the board. The executive director
11 and all other employees of the system shall be members of the system and the board shall make
12 contributions to provide the insurance benefits available pursuant to section 104.270 **and**
13 **sections 103.1000 to 103.1020** on the same basis as provided for other state employees pursuant
14 to the provisions of section 104.515, and also shall make contributions to provide the retirement
15 benefits on the same basis as provided for other employees pursuant to the provisions of sections

16 104.090 to 104.260. The executive director is authorized to execute all documents including
17 contracts necessary to carry out any and all actions of the board.

18 3. Any summons or other writ issued by the courts of the state shall be served upon the
19 executive director or, in the executive director's absence, on the assistant director.

104.270. The state Highways and Transportation Commission [may] **and**
2 **superintendent of the state highway patrol shall** provide for benefits to cover [medical
3 expenses and] death, **life, and disability** for members of the closed and **members, retirees, and**
4 **vested former members of the** year 2000 [plans] **plan** of the highways and transportation
5 employees' and highway patrol retirement system. [Any plan may provide medical benefits for
6 dependents of members and for retirees of the closed and year 2000 plans and for persons
7 entitled to deferred annuities in the closed and year 2000 plans and their dependents.] Death
8 benefits shall be comparable to those provided for in section 104.517. Contributions by the state
9 Highways and Transportation Commission **and superintendent of the Missouri state highway**
10 **patrol** to provide the benefits shall be on the same basis as provided for other state employees
11 under the provisions of [section] **sections 104.515 and 104.517**. [Except as otherwise provided
12 by law, the cost of benefits for dependents of members and for retirees and their dependents shall
13 be paid by the members or retirees.] The commission **and superintendent** may contract with
14 other persons or entities including but not limited to third-party administrators[, health network
15 providers, and health maintenance organizations] for all, or any part of, the benefits provided for
16 in this section. [The commission may require reimbursement of any medical claims paid by the
17 commission's medical plan for which there was third-party liability.]

104.372. 1. (1) In the event a person who served as a member of the general assembly
2 or in an elective state office on or after September 1, 1976, and who retired after September 1,
3 1976, dies, a survivor's income in an amount equal to fifty percent of the monthly annuity the
4 retired member was receiving at the time of the member's death shall be paid in monthly
5 installments to such deceased retired member's surviving spouse; provided such surviving spouse
6 was married to the deceased retired member of the general assembly or elected official on the
7 date of the member's death; or if there is no surviving spouse eligible to receive such survivor's
8 income, then such survivor's income shall be payable to any children under the age of twenty-one
9 of the deceased member of the general assembly or elective official in equal shares in a total
10 amount equal to such survivor's income that would otherwise have been paid to the surviving
11 spouse until the children reach twenty-one years of age. The benefits shall be funded as provided
12 in section 104.436; or

13 (2) Upon the death of a person who served as a member of the general assembly or in
14 an elective state office on or after September 1, 1976, and who retired pursuant to the provisions
15 of this chapter on or after September 1, 1976, and who terminated employment before August

16 28, 1988, such deceased retired member's surviving spouse, who was married to the deceased
17 retired member on the date of the member's death, may apply to the board of trustees and shall
18 be made, constituted, appointed and employed by the board as a special consultant on the
19 problems of retirement, aging and other state matters for the remainder of the surviving spouse's
20 life, and upon request of the board shall give opinions, and be available to give opinions in
21 writing, or orally, in response to such requests. As compensation for such services, beginning
22 the first of the month following application, such surviving spouse shall receive monthly an
23 amount equal to fifty percent of the monthly annuity the retired member was receiving at the time
24 of the member's death.

25 2. If a member of the general assembly who has served in at least three full biennial
26 assemblies dies before retirement, pursuant to the provisions of sections 104.312 to [104.801]
27 **104.800**, a survivor's benefit shall be paid in an amount equal to fifty percent of the member's
28 accrued annuity calculated as if the member were of normal retirement age as of the member's
29 death. The survivor's benefit shall be paid in monthly installments to such deceased member's
30 surviving spouse; provided such surviving spouse was married to the deceased member of the
31 general assembly on the date of the member's death; or if there is no surviving spouse eligible
32 to receive such survivor's benefit, such survivor's benefit shall be payable to any children under
33 the age of twenty-one of the deceased member of the general assembly in equal shares in a total
34 amount equal to such survivor's benefit that would otherwise have been paid to the surviving
35 spouse until the children reach twenty-one years of age.

36 3. In the event a person who has held one or more statewide state elective offices for a
37 total of at least twelve years, and whose retirement benefits have been calculated and are being
38 paid pursuant to the provisions of section 104.371, dies, a survivor's benefit in an amount equal
39 to fifty percent of the benefits being paid the member pursuant to section 104.371 shall be paid
40 to the member's surviving spouse. The survivor's benefits shall be paid in the manner provided
41 in section 104.371.

42 4. Every member of the state employees' retirement system who had previous state
43 employment by a state agency by virtue of which the person was a member of the public school
44 retirement system of Missouri and has previously withdrawn the person's employee contribution
45 to the public school retirement system shall upon request if qualified pursuant to the provisions
46 of this subsection receive creditable prior service in the state employees' retirement system for
47 such service notwithstanding any other provisions of law. The public school retirement system
48 shall pay to the state employees' retirement system an amount equal to the contribution paid to
49 the public school retirement system on behalf of the employee by the employee's employer, and
50 the commissioner of administration shall pay an equal amount to the state employees' retirement
51 system from funds appropriated from the general revenue fund for such purpose. In no event

52 shall any person receive credit for the same period of service under more than one retirement
53 system.

54 5. Upon the death of a person who served as a member of the general assembly or in an
55 elective state office before September 1, 1976, and who retired and chose a normal annuity
56 pursuant to the provisions of this chapter, such deceased retired member's surviving spouse, who
57 was married to the member on the date of the member's death, may apply to the board of trustees
58 and shall be made, constituted, appointed and employed by the board as a special consultant on
59 the problems of retirement, aging, and other state matters for the remainder of the surviving
60 spouse's life, and upon request of the board shall give opinions, and be available to give opinions
61 in writing, or orally, in response to such requests. As compensation for such services, beginning
62 the first of the month following application, such surviving spouse shall receive monthly an
63 amount equal to fifty percent of the monthly annuity the retired member was receiving at the time
64 of the member's death.

65 6. Survivor benefits shall be paid pursuant to section 104.420 in lieu of any other
66 provisions of this section to the contrary if the member of the general assembly or statewide
67 elected official:

68 (1) Dies on or after August 28, 2001;

69 (2) Had a vested right to an annuity; and

70 (3) Was not receiving an annuity.

71 7. Survivor benefits shall be paid pursuant to section 104.395 in lieu of any other
72 provisions of this section to the contrary if the member of the general assembly or statewide
73 elected official elects a survivor benefit option pursuant to section 104.395, and dies on or after
74 August 28, 2001.

104.515. 1. Separate accounts for medical, life insurance and disability benefits
2 provided pursuant to sections **103.1000 to 103.1020 and sections** 104.517 and 104.518 shall be
3 established as part of the fund. The funds, property and return on investments of the separate
4 account shall not be commingled with any other funds, property and investment return of the
5 system. All benefits and premiums are paid solely from the separate account for medical, life
6 insurance and disability benefits provided pursuant to this section.

7 2. The state shall contribute an amount as appropriated by law and approved by the
8 governor per month for medical benefits, life insurance and long-term disability benefits as
9 provided pursuant to this section and sections **103.1015**, 104.517, and 104.518. Such amounts
10 shall include the cost of providing life insurance benefits for each active employee who is a
11 member of the Missouri state employees' retirement system, a member of the public school
12 retirement system and who is employed by a state agency other than an institution of higher
13 learning, a member of the retirement system established by sections 287.812 to 287.855, the

14 judicial retirement system, each legislator and official holding an elective state office, members
15 not on payroll status who are receiving workers' compensation benefits, and [if the state
16 Highways and Transportation Commission so elects,] those employees who are members of the
17 state transportation department employees' and highway patrol retirement system; [if the state
18 Highways and Transportation Commission so elects to join the plan,] the state shall contribute
19 an amount as appropriated by law for medical benefits for those employees who are members
20 of the transportation department employees' and highway patrol retirement system; an additional
21 amount equal to the amount required, based on competitive bidding or determined actuarially,
22 to fund the retired members' death benefit or life insurance benefit, or both, provided in
23 subsection 4 of this section and the disability benefits provided in section 104.518. This amount
24 shall be reported as a separate item in the monthly certification of required contributions which
25 the commissioner of administration submits to the state treasurer and shall be deposited to the
26 separate account for medical, life insurance and disability benefits. All contributions made on
27 behalf of members of the state transportation department employees' and highway patrol
28 retirement system shall be made from [highway] **federal and state** funds. [If the Highways and
29 Transportation Commission so elects, The spouses and unemancipated children under
30 twenty-three years of age of employees who are members of the state transportation department
31 employees' and highway patrol retirement system shall be able to participate in the program of
32 insurance benefits to cover medical expenses pursuant to the provisions of subsection 3 of this
33 section.]

34 3. The board shall determine the premium amounts required for participating employees.
35 The premium amounts shall be the amount, which, together with the state's contribution, is
36 required to fund the benefits provided, taking into account necessary actuarial reserves. Separate
37 premiums shall be established for employees' benefits and a separate premium or schedule of
38 premiums shall be established for benefits for spouses and unemancipated children under
39 twenty-three years of age of participating employees. The employee's premiums for spouse and
40 children benefits shall be established to cover that portion of the cost of such benefits which is
41 not paid for by contributions by the state. All such premium amounts shall be paid to the board
42 of trustees at the time that each employee's wages or salary would normally be paid. The
43 premium amounts so remitted will be placed in the separate account for medical, life insurance
44 and disability benefits. In lieu of the availability of premium deductions, the board may establish
45 alternative methods for the collection of premium amounts.

46 4. (1) **The Missouri department of transportation and highway patrol health plan's**
47 **board of trustees shall determine the premium amounts for life insurance benefits,**
48 **required for participating employees.**

49 **(2) The Missouri department of transportation and highway patrol employees'**
50 **retirement system's board of trustees shall determine the premium amounts for disability**
51 **benefits required for participating employees.**

52 **(3) The premium amount for medical benefits for members of the Missouri**
53 **department of transportation and highway patrol health plan shall be determined under**
54 **sections 103.1000 to 103.1020.**

55 **(4) The premium amounts shall be the amount, which, together with the state's**
56 **contribution, is required to fund the benefits provided, taking into account necessary**
57 **actuarial reserves. Separate premiums shall be established for employees' benefits and a**
58 **separate premium or schedule of premiums shall be established for benefits for spouses**
59 **and dependent children, as required by law, of participating employees. The employee's**
60 **premiums for spouse and children benefits shall be established to cover that portion of the**
61 **cost of such benefits which is not paid for by contributions by the employer. All such**
62 **premium amounts shall be paid to the board of trustees at the time that each employee's**
63 **wages or salary would normally be paid. The premium amounts so remitted will be placed**
64 **in the separate account for medical, life insurance and disability benefits. In lieu of the**
65 **availability of premium deductions, the board may establish alternative methods for the**
66 **collection of premium amounts.**

67 **5.** Each special consultant eligible for life benefits employed by a board of trustees of
68 a retirement system as provided in section 104.610 who is a member of the Missouri state life
69 insurance plan or Missouri state transportation department and Missouri state highway patrol life
70 insurance plan shall, in addition to duties prescribed in section 104.610 or any other law, and
71 upon request of the board of trustees, give the board, orally or in writing, a short detailed
72 statement on life insurance and death benefit problems affecting retirees. As compensation for
73 the extra duty imposed by this subsection, any special consultant as defined above, other than
74 a special consultant entitled to a deferred normal annuity pursuant to section 104.035 or 104.335,
75 who retires on or after September 28, 1985, shall receive as a part of compensation for these
76 extra duties, a death benefit of five thousand dollars, and any special consultant who terminates
77 employment on or after August 28, 1999, after reaching normal or early retirement age and
78 becomes a retiree within sixty days of such termination shall receive five thousand dollars of life
79 insurance coverage. In addition, each special consultant who is a member of the transportation
80 department employees' and highway patrol retirement system medical insurance plan shall also
81 provide the board, upon request of the board, orally or in writing, a short detailed statement on
82 physical, medical and health problems affecting retirees. As compensation for this extra duty,
83 each special consultant as defined above shall receive, in addition to all other compensation
84 provided by law, [nine dollars, or] an amount equivalent to that provided to other special

85 consultants pursuant to the provisions of section 103.115. In addition, any special consultant as
86 defined in section 287.820 or section 476.601 who terminates employment and immediately
87 retires on or after August 28, 1995, shall receive as a part of compensation for these duties, a
88 death benefit of five thousand dollars and any special consultant who terminates employment on
89 or after August 28, 1999, after reaching the age of eligibility to receive retirement benefits and
90 becomes a retiree within sixty days of such termination shall receive five thousand dollars of life
91 insurance coverage.

92 [5.] 6. Any former employee who is receiving disability income benefits from the
93 Missouri state employees' retirement system or the transportation department employees' and
94 highway patrol retirement system shall, upon application with the board of trustees of the
95 Missouri consolidated health care plan or the transportation department employees and highway
96 patrol medical plan, be made, constituted, appointed and employed by the respective board as
97 a special consultant on the problems of the health of disability income recipients and, upon
98 request of the board of trustees of each medical plan, give the board, orally or in writing, a short
99 detailed statement of physical, medical and health problems affecting disability income
100 recipients.

101 As compensation for the extra duty imposed by this subsection, each such special consultant as
102 defined in this subsection may receive, in addition to all other compensation provided by law,
103 an amount contributed toward medical benefits coverage provided by the Missouri consolidated
104 health care plan or the transportation employees and highway patrol medical plan pursuant to
105 appropriations.

104.517. 1. The board shall provide or contract, or both, for life insurance benefits for
2 employees pursuant to sections 104.320 to 104.540, persons covered by sections 287.812 to
3 287.855, and for employees who are members of the judicial retirement system as provided in
4 section 476.590, and at the election of the state Highways and Transportation Commission shall
5 include employees who are members of the state transportation department employees' and
6 highway patrol retirement system. Employees are entitled to fifteen thousand dollars of life
7 insurance until December 31, 2000. Effective January 1, 2001, the system shall provide or
8 contract or both for basic life insurance for employees covered under any retirement plan
9 administered by the system pursuant to this chapter, persons covered by sections 287.812 to
10 287.856, for employees who are members of the judicial retirement system as provided in section
11 476.590, and, at the election of the state Highways and Transportation Commission, employees
12 who are members of the highways and transportation employees' and highway patrol retirement
13 system, in an amount equal to one times annual pay, subject to a minimum amount of fifteen
14 thousand dollars. The board shall establish by rule or contract the method for determining the
15 annual rate of pay and any other terms of such insurance as it deems necessary to implement the

16 requirements pursuant to this section. Annual rate of pay shall not include overtime or any other
17 irregular payments as determined by the board. Such life insurance shall provide for triple
18 indemnity in the event the cause of death is a proximate result of a personal injury or disease
19 arising out of and in the course of actual performance of duty as an employee.

20 2. A conversion of such life insurance benefits shall be available. However, a member
21 eligible to receive a lump sum death benefit as provided in subsection [4] 5 of section 104.515
22 shall be entitled to convert any amount of terminated life insurance benefit in excess of the
23 benefit provided in said section.

24 3. (1) In addition to the life insurance authorized by the provisions of subsection 1 of
25 this section, any person for whom life insurance is provided or contracted for pursuant to such
26 subsection may purchase, at the person's own expense and only if monthly voluntary payroll
27 deductions are authorized, additional life insurance at a cost to be stipulated in a contract with
28 a private insurance company or as may be required by the system if the board of trustees
29 determines that the system should provide such insurance itself. The maximum amount of
30 additional life insurance which may be so purchased on or after January 1, 1998, but prior to
31 January 1, 2004, is that amount which equals six times the amount of the person's annual rate of
32 pay, except that if such maximum amount is not evenly divisible by one thousand dollars, then
33 the maximum amount of additional insurance which may be purchased is the next higher amount
34 evenly divisible by one thousand dollars. The maximum amount of additional life insurance
35 which may be so purchased on or after January 1, 2004, is an amount to be stipulated in a
36 contract with a private insurance company or as may be required by the system if the board of
37 trustees determines that the system should provide the insurance itself. The selection of a private
38 insurance company to provide this life insurance shall be on the basis of competitive bidding.

39 (2) Any person defined in subdivision (1) of this subsection retiring on or after
40 September 1, 1988, may retain an amount not to exceed ten thousand dollars of life insurance
41 following the date of his or her retirement if such person makes written application for such life
42 insurance at the same time such person's application is made to the board for retirement benefits.
43 Any person, defined in subdivision (1) of this subsection, retiring on or after May 1, 1996, may
44 retain an amount not to exceed sixty thousand dollars of life insurance following the date of the
45 person's retirement if such person makes written application for such life insurance at the same
46 time such person applies to the board for retirement benefits. Such life insurance shall only be
47 provided if such person pays the entire cost of the insurance, as determined by the board, by
48 allowing voluntary deductions from the member's monthly retirement benefits.

49 (3) Effective January 1, 1998, in addition to the life insurance authorized in subsection
50 1 of this section, any person for whom life insurance is provided or contracted for pursuant to
51 such subsection may purchase, at the person's own expense and only if monthly voluntary payroll

52 deductions are authorized, life insurance covering the person's children or the person's spouse
53 or both the person's children and the person's spouse at coverage amounts to be determined by
54 the board at a cost to be stipulated in a contract with a private insurance company or as may be
55 required by the system if the board of trustees determines that the system should provide such
56 insurance itself.

57 4. The highways and transportation employees' and highway patrol retirement system
58 shall provide or contract or both for the death benefit for special consultants in subsection [4] 5
59 of section 104.515. The highways and transportation employees' and highway patrol retirement
60 system may request the state Highways and Transportation Commission to administer the death
61 benefit. If the state Highways and Transportation Commission accepts the obligation to
62 administer the death benefit, the highways and transportation employees' and highway patrol
63 retirement system shall reimburse the state Highways and Transportation Commission for any
64 costs or expenses of administering the death benefit.

65 5. To the extent that the board enters or has entered into any contract with any insurer
66 or service organization to provide life insurance provided for pursuant to this section:

67 (1) The obligation to provide such life insurance shall be primarily that of the insurer or
68 service organization and secondarily that of the board;

69 (2) Any member who has been denied life insurance benefits by the insurer or service
70 organization and has exhausted all appeal procedures provided by the insurer or service
71 organization may appeal such decision by filing a petition against the insurer or service
72 organization in a court of law in the member's county of residence; and

73 (3) The board and the system shall not be liable for life insurance benefits provided by
74 an insurer or service organization pursuant to this section and shall not be subject to any cause
75 of action with regard to life insurance benefits or the denial of life insurance benefits by the
76 insurer or service organization unless the member has obtained judgment against the insurer or
77 service organization for life insurance benefits and the insurer or service organization is unable
78 to satisfy that judgment.

104.625. Effective July 1, 2002, any member retiring pursuant to the provisions of
2 sections 104.010 to [104.801] **104.800**, except an elected official or a member of the general
3 assembly, who has not been paid retirement benefits and continues employment for at least two
4 years beyond normal retirement age, may elect to receive an annuity and lump sum payment or
5 payments, determined as follows:

6 (1) A retroactive starting date shall be established which shall be a date selected by the
7 member; provided, however, that the retroactive starting date selected by the member shall not
8 be a date which is earlier than the date when a normal annuity would have first been payable.
9 In addition, the retroactive starting date shall not be more than five years prior to the annuity

10 starting date, which shall be the first day of the month with respect to which an amount is paid
11 as an annuity pursuant to this section. The member's selection of a retroactive starting date shall
12 be done in twelve-month increments, except this restriction shall not apply when the member
13 selects the total available time between the retroactive starting date and the annuity starting date;

14 (2) The prospective annuity payable as of the annuity starting date shall be determined
15 pursuant to the provisions otherwise applicable under the law, with the exception that it shall be
16 the amount which would have been payable had the member actually retired on the retroactive
17 starting date under the retirement plan selected by the member. Other than for the lump sum
18 payment or payments specified in subdivision (3) of this section, no other amount shall be due
19 for the period between the retroactive starting date and the annuity starting date;

20 (3) The lump sum payable shall be ninety percent of the annuity amounts which would
21 have been paid to the member from the retroactive starting date to the annuity starting date had
22 the member actually retired on the retroactive starting date and received a normal annuity. The
23 member shall elect to receive the lump sum amount either in its entirety at the same time as the
24 initial annuity payment is made or in three equal annual installments with the first payment made
25 at the same time as the initial annuity payment;

26 (4) Any annuity payable pursuant to this section that is subject to a division of benefit
27 order pursuant to section 104.312 shall be calculated as follows:

28 (a) Any service of a member between the retroactive starting date and the annuity
29 starting date shall not be considered creditable service except for purposes of calculating the
30 division of benefit; and

31 (b) The lump sum payment described in subdivision (3) of this section shall not be
32 subject to any division of benefit order; and

33 (5) For purposes of determining annual benefit increases payable as part of the lump sum
34 and annuity provided pursuant to this section, the retroactive starting date shall be considered the
35 member's date of retirement.

104.805. 1. Employees who are earning creditable service in the closed plan of the
2 Missouri state employees' retirement system and who are, as a result of the provisions of this
3 section and sections 226.008, 389.005, 389.610, and 621.040, transferred to the department of
4 transportation will not become members of the closed plan of the Missouri department of
5 transportation and highway patrol employees' retirement system unless they elect to transfer
6 membership and creditable service to the closed plan of the Missouri department of
7 transportation and highway patrol employees' retirement system. The election must be in writing
8 and must be made within sixty days of August 28, 2007. Any election to transfer membership
9 and creditable service to the Missouri department of transportation and highway patrol
10 employees' retirement system shall result in the forfeiture of any rights or benefits in the Missouri

11 state employees' retirement system. Any failure to elect to transfer membership and creditable
12 service pursuant to this subsection will result in the employees remaining in the closed plan of
13 the Missouri state employees' retirement system. If an election is made, the effective date for
14 commencement of membership and transfer of such creditable service shall be January 1, 2008.

15 2. Employees who are earning credited service in the year 2000 plan of the Missouri state
16 employees' retirement system and who are, as a result of the provisions of this section and
17 sections 226.008, 389.005, 389.610, and 621.040, transferred to the department of transportation
18 will remain in the year 2000 plan administered by the Missouri state employees' retirement
19 system unless they elect to transfer membership and credited service to the year 2000 plan
20 administered by the Missouri department of transportation and highway patrol employees'
21 retirement system. The election must be in writing and must be made within sixty days of
22 August 28, 2007. Any election to transfer membership and credited service to the year 2000 plan
23 administered by the Missouri department of transportation and highway patrol employees'
24 retirement system shall result in the forfeiture of any rights or benefits in the Missouri state
25 employees' retirement system. Any failure to elect to transfer membership and credited service
26 pursuant to this subsection will result in the employees remaining in the year 2000 plan
27 administered by the Missouri state employees' retirement system. If an election is made, the
28 effective date for commencement of membership and transfer of such creditable service shall be
29 January 1, 2008.

30 3. For any employee who elects under subsection 1 or 2 of this section to transfer to the
31 Missouri department of transportation and highway patrol employees' retirement system, the
32 Missouri state employees' retirement system shall pay to the Missouri department of
33 transportation and highway patrol employees' retirement system, by December 31, 2007, an
34 amount actuarially determined to equal the liability transferred from the Missouri state
35 employees' retirement system.

36 4. In no event shall any employee receive service credit for the same period of service
37 under more than one retirement system as a result of the provisions of this section.

38 5. For any transferred employee who elects under subsection 1 or 2 of this section to
39 transfer to the Missouri department of transportation and highway patrol employees' retirement
40 system, the only medical coverage available for the employee shall be the medical coverage
41 provided in [section 104.270] **sections 103.1000 to 103.1020**. The effective date for
42 commencement of medical coverage shall be January 1, 2008. However, this does not preclude
43 medical coverage for the transferred employee as a dependent under any other health care plan.

44 6. Those employees transferred to the department of transportation prior to January 1,
45 2003, under the provisions of this section and sections 226.008, 389.005, 389.610, and 621.040,
46 shall not be eligible for the election provisions under this section.

104.806. 1. Employees who are earning creditable service in the closed plan of the Missouri state employees' retirement system and who are transferred to the department of transportation as a result of the provisions of executive order 03-05 will not become members of the closed plan of the highways and transportation employees' and highway patrol retirement system unless they elect to transfer membership and creditable service to the closed plan of the highways and transportation employees' and highway patrol retirement system. The election must be in writing and must be made within ninety days of July 1, 2003. Any election to transfer membership and creditable service to the highways and transportation employees' and highway patrol retirement system shall result in the forfeiture of any rights or benefits in the Missouri state employees' retirement system. Any failure to elect to transfer membership and creditable service pursuant to this subsection will result in the employees remaining in the closed plan of the Missouri state employees' retirement system. If an election is made, the effective date for commencement of membership and transfer of such creditable service shall be January 1, 2004.

2. Employees who are earning credited service in the year 2000 plan of the Missouri state employees' retirement system and who are transferred to the department of transportation as a result of the provisions of executive order 03-05 will remain in the year 2000 plan administered by the Missouri state employees' retirement system unless they elect to transfer membership and credited service to the year 2000 plan administered by the highways and transportation employees' and highway patrol retirement system. The election must be in writing and must be made within ninety days of July 1, 2003. Any election to transfer membership and credited service to the year 2000 plan administered by the highways and transportation employees' and highway patrol retirement system shall result in the forfeiture of any rights or benefits in the Missouri state employees' retirement system. Any failure to elect to transfer membership and credited service pursuant to this subsection will result in the employees remaining in the year 2000 plan administered by the Missouri state employees' retirement system. If an election is made, the effective date for commencement of membership and transfer of such creditable service shall be January 1, 2004.

3. For any employee who elects pursuant to subsection 1 or 2 of this section to transfer to the highways and transportation employees' and highway patrol retirement system, the Missouri state employees' retirement system shall pay to the highways and transportation employees' and highway patrol retirement system, by December 31, 2003, an amount actuarially determined to equal the liability at the time of the transfer to the extent that liability is funded as of the most recent actuarial valuation, not to exceed one hundred percent.

4. In no event shall any employee receive service credit for the same period of service under more than one retirement system as a result of the provisions of this section.

36 5. For any transferred employee who elects pursuant to subsection 1 or 2 of this section
37 to transfer to the highways and transportation employees' and highway patrol retirement system,
38 the only medical coverage available for the employee shall be the medical coverage provided in
39 [section 104.270] **sections 103.1000 to 103.1020**. The effective date for commencement of
40 medical coverage shall be January 1, 2004. However, this does not preclude medical coverage
41 for the transferred employee as a dependent under any other health care plan.

104.810. 1. Employees of the Missouri state water patrol who are earning creditable
2 service in the closed plan of the Missouri state employees' retirement system and who are
3 transferred to the division of water patrol with the Missouri state highway patrol shall elect
4 within ninety days of January 1, 2011, to either remain a member of the Missouri state
5 employees' retirement system or transfer membership and creditable service to the closed plan
6 of the Missouri department of transportation and highway patrol employees' retirement system.
7 The election shall be made in writing after the employee has received a detailed analysis
8 comparing retirement, life insurance, disability benefits, and medical benefits of a member of the
9 Missouri state employees' retirement system with the corresponding benefits provided an
10 employee of the highway patrol covered by the closed plan of the Missouri department of
11 transportation and highway patrol employees' retirement system. In electing plan membership
12 the employee shall acknowledge and agree that an election made under this subsection is
13 irrevocable, and constitutes a waiver to receive retirement, life insurance, disability benefits, and
14 medical benefits except as provided by the system elected by the employee. Furthermore, in
15 connection with the election, the employee shall be required to acknowledge that the benefits
16 provided by virtue of membership in either system, and any associated costs to the employee,
17 may be different now or in the future as a result of the election and that the employee agrees to
18 hold both systems harmless with regard to benefit differences resulting from the election.

19 2. Employees of the Missouri state water patrol who are earning credited service in the
20 year 2000 plan of the Missouri state employees' retirement system and who are transferred to the
21 division of water patrol with the Missouri state highway patrol shall elect within ninety days of
22 January 1, 2011, to either remain a member of the Missouri state employees' retirement system
23 or transfer membership and creditable service to the year 2000 plan of the Missouri department
24 of transportation and highway patrol employees' retirement system. The election shall be made
25 in writing after the employee has received a detailed analysis comparing retirement, life
26 insurance, disability benefits, and medical benefits of a member of the Missouri state employees'
27 retirement system with the corresponding benefits provided an employee of the highway patrol
28 covered by the year 2000 plan of the Missouri department of transportation and highway patrol
29 employees' retirement system. In electing plan membership the employee shall acknowledge and
30 agree that an election made under this subsection is irrevocable, and constitutes a waiver to

31 receive retirement, life insurance, disability benefits, and medical benefits except as provided by
32 the system elected by the employee. Furthermore, in connection with the election, the employee
33 shall be required to acknowledge that the benefits provided by virtue of membership in either
34 system, and any associated costs to the employee, may be different now or in the future as a
35 result of the election and that the employee agrees to hold both systems harmless with regard to
36 benefit differences resulting from the election.

37 3. The Missouri state employees' retirement system shall pay to the Missouri department
38 of transportation and highway patrol employees' retirement system, by June 30, 2011, an amount
39 actuarially determined to equal the liability at the time of the transfer for any employee who
40 elects under subsection 1 or 2 of this section to transfer to the Missouri department of
41 transportation and highway patrol employees' retirement system, to the extent that liability is
42 funded as of the most recent actuarial valuation and based on the actuarial value of assets not to
43 exceed one hundred percent.

44 4. In no event shall any employee receive service credit for the same period of service
45 under more than one retirement system as a result of the provisions of this section.

46 5. The only medical coverage available for any employee who elects under subsection
47 1 or 2 of this section to transfer to the Missouri department of transportation and highway patrol
48 employees' retirement system shall be the medical coverage provided in [section 104.270]
49 **sections 103.1000 to 103.1020**. The effective date for commencement of medical coverage shall
50 be July 1, 2011. However, this does not preclude medical coverage for the transferred employee
51 as a dependent under any other health care plan.

52 6. Any employee who elects under subsection 1 or 2 of this section to transfer to the
53 Missouri department of transportation and highway patrol employees' retirement system and who
54 is also thereafter a uniformed member of the highway patrol shall be subject to the mandatory
55 retirement age stated in section 104.081.

104.1072. 1. Each board shall provide or contract, or both, for life insurance benefits
2 for employees covered pursuant to the year 2000 plan as follows:

3 (1) Employees shall be provided fifteen thousand dollars of life insurance until
4 December 31, 2000. Effective January 1, 2001, the system shall provide or contract or both for
5 basic life insurance for employees covered under any retirement plan administered by the system
6 pursuant to this chapter, persons covered by sections 287.812 to 287.856, for employees who are
7 members of the judicial retirement system as provided in section 476.590, and, at the election
8 of the state Highways and Transportation Commission, employees who are members of the
9 highways and transportation employees' and highway patrol retirement system, in the amount
10 equal to one times annual pay, subject to a minimum amount of fifteen thousand dollars. The
11 board shall establish by rule or contract the method for determining the annual rate of pay and

12 any other terms of such insurance as it deems necessary to implement the requirements pursuant
13 to this section. Annual rate of pay shall not include overtime or any other irregular payments as
14 determined by the board. Such life insurance shall provide for triple indemnity in the event the
15 cause of death is a proximate result of a personal injury or disease arising out of and in the course
16 of actual performance of duty as an employee;

17 (2) Any member who terminates employment after reaching normal or early retirement
18 eligibility and becomes a retiree within sixty days of such termination shall receive five thousand
19 dollars of life insurance coverage.

20 2. (1) In addition to the life insurance authorized by the provisions of subsection 1 of
21 this section, any person for whom life insurance is provided or contracted for pursuant to such
22 subsection may purchase, at the person's own expense and only if monthly voluntary payroll
23 deductions are authorized, additional life insurance at a cost to be stipulated in a contract with
24 a private insurance company or as may be required by a system if the board of trustees
25 determines that the system should provide such insurance itself. The maximum amount of
26 additional life insurance which may be so purchased prior to January 1, 2004, is that amount
27 which equals six times the amount of the person's annual rate of pay, subject to any maximum
28 established by a board, except that if such maximum amount is not evenly divisible by one
29 thousand dollars, then the maximum amount of additional insurance which may be purchased
30 is the next higher amount evenly divisible by one thousand dollars. The maximum amount of
31 additional life insurance which may be so purchased on or after January 1, 2004, is an amount
32 to be stipulated in a contract with a private insurance company or as may be required by the
33 system if the board of trustees determines that the system should provide the insurance itself.

34 (2) Any person defined in subdivision (1) of this subsection may retain an amount not
35 to exceed sixty thousand dollars of life insurance following the date of his or her retirement if
36 such person becomes a retiree the month following termination of employment and makes
37 written application for such life insurance at the same time such person's application is made to
38 the board for retirement benefits. Such life insurance shall only be provided if such person pays
39 the entire cost of the insurance, as determined by the board, by allowing voluntary deductions
40 from the member's annuity.

41 (3) In addition to the life insurance authorized in subdivision (1) of this subsection, any
42 person for whom life insurance is provided or contracted for pursuant to this subsection may
43 purchase, at the person's own expense and only if monthly voluntary payroll deductions are
44 authorized, life insurance covering the person's children or the person's spouse or both at
45 coverage amounts to be determined by the board at a cost to be stipulated in a contract with a
46 private insurer or as may be required by the system if the board of trustees determines that the
47 system should provide such insurance itself.

48 (4) Effective July 1, 2000, any member who applies and is eligible to receive an annuity
49 based on the attainment of at least forty-eight years of age with a total of years of age and years
50 of credited service which is at least eighty shall be eligible to retain any optional life insurance
51 described in subdivision (1) of this subsection. The amount of such retained insurance shall not
52 be greater than the amount in effect during the month prior to termination of employment. Such
53 insurance may be retained until the member's attainment of the earliest age for eligibility for
54 reduced Social Security retirement benefits but no later than age sixty-two, at which time the
55 amount of such insurance that may be retained shall be that amount permitted pursuant to
56 subdivision (2) of this subsection.

57 3. [The state Highways and Transportation Commission may provide for insurance
58 benefits to cover medical expenses for members of the highways and transportation employees'
59 and highway patrol retirement system. The state Highways and Transportation Commission may
60 provide medical benefits for dependents of members and for retired members. Contributions by
61 the state Highways and Transportation Commission to provide the benefits shall be on the same
62 basis as provided for other state employees pursuant to the provisions of section 104.515. Except
63 as otherwise provided by law, the cost of benefits for dependents of members and for retirees and
64 their dependents shall be paid by the members or retirees. The commission may contract with
65 other persons or entities including but not limited to third-party administrators, health network
66 providers and health maintenance organizations for all, or any part of, the benefits provided for
67 in this section. The commission may require reimbursement of any medical claims paid by the
68 commission's medical plan for which there was third-party liability.

69 4.] The highways and transportation employees' and highway patrol retirement system
70 may request the state Highways and Transportation Commission to provide life insurance
71 benefits as required in subsections 1 and 2 of this section. If the state Highways and
72 Transportation Commission agrees to the request, the highways and transportation employees'
73 and highway patrol retirement system shall reimburse the state Highways and Transportation
74 Commission for any and all costs for life insurance provided pursuant to subdivision (2) of
75 subsection 1 of this section. The person who is covered pursuant to subsection 2 of this section
76 shall be solely responsible for the costs of any additional life insurance. In lieu of the life
77 insurance benefit in subdivision (2) of subsection 1 of this section, the highways and
78 transportation employees' and highway patrol retirement system is authorized in its sole
79 discretion to provide a death benefit of five thousand dollars.

80 [5.] 4. To the extent that the board enters or has entered into any contract with any
81 insurer or service organization to provide life insurance provided for pursuant to this section:

82 (1) The obligation to provide such life insurance shall be primarily that of the insurer or
83 service organization and secondarily that of the board;

84 (2) Any member who has been denied life insurance benefits by the insurer or service
85 organization and has exhausted all appeal procedures provided by the insurer or service
86 organization may appeal such decision by filing a petition against the insurer or service
87 organization in a court of law in the member's county of residence; and

88 (3) The board and the system shall not be liable for life insurance benefits provided by
89 an insurer or service organization pursuant to this section and shall not be subject to any cause
90 of action with regard to life insurance benefits or the denial of life insurance benefits by the
91 insurer or service organization unless the member has obtained judgment against the insurer or
92 service organization for life insurance benefits and the insurer or service organization is unable
93 to satisfy that judgment.

2 [104.801. Notwithstanding any law to the contrary, any legislation
3 enacted by the general assembly which mandates the coverage of specific health
4 benefits, services, or providers in the policies or contracts of insurers, health
5 services corporations, health maintenance organizations, or other third-party
6 payors, on and after January 1, 1991, also shall apply to the health benefit plans
7 of the Missouri state employees' retirement system, the Missouri state
8 transportation department retirement system, and any other health benefit plan
provided by the state on behalf of its employees.]

Section B. Because immediate action is necessary to implement provisions to properly
2 and timely proceed in the planning process for the 2013 health care plan benefits for the Missouri
3 department of transportation and highway patrol health care plan, this act is deemed necessary
4 for the immediate preservation of the public health, welfare, peace, and safety, and is hereby
5 declared to be an emergency act within the meaning of the constitution, this act shall be in full
6 force and effect upon its passage and approval.

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