

LEGISLATIVE NOTES ON R.S.52:14-17.30

(State pays increase-State employees Medical insurance)

1970 - chap.232 - S 890

Sept.17 - Introduced by Sears [and others].

No statement.

Not amended during passage.

Periodical comments located (copies enclosed)

974.905 The Shield
C585

p.16

974.905 The Spotlighter
S765

Clipping located:

State may absorb health plan; Senate
votes to pick up employees' tab

TET

9/22/70

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Encl.

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SENATE, No. 890

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 17, 1970

By Senators SEARS, BATEMAN, RIDOLFI and COFFEE

(Without Reference)

AN ACT to amend "An act concerning hospital, medical, surgical and major medical expense benefits for public and school employees and providing for the procuring of such benefits," approved June 3, 1961 (P. L. 1961, c. 49), as said title was amended by P. L. 1964, c. 125, and supplementing "An act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1971, and regulating the disbursement thereof," approved June 15, 1970 (P. L. 1970, c. 96).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 6 of P. L. 1961, c. 49 (C. 52:14-17.30) is amended to
2 read as follows:

3 6. (A) For each active covered *State* employee the State, from
4 funds appropriated therefor, shall pay the premium or periodic
5 charges for the benefits provided under the contract in amounts
6 equal to the premium or periodic charges for the benefits provided
7 under such a contract covering the employee alone *plus the amounts*
8 *equal to any increase in the premiums or periodic charges for de-*
9 *pendent coverage effective on or after August 1, 1970* and shall
10 reimburse the active employee for his premium charges under
11 Part B of the Federal Medicare program covering the employee
12 **[alone]** *and the employee's spouse.*

12A (B) An employee may, on an optional basis, enroll his dependents
13 for coverage under the contract subject to such regulations and
14 conditions as the commission and the carrier may prescribe. The
15 amount of the total premium or periodic charge for such contract
16 in excess of the amount paid by the State under subsection (A) of
17 this section shall be the sole responsibility of the employee who, at
18 the time of such enrollment, shall authorize the State to withhold

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

19 the amount of such excess, on an advance basis, from his wages or
20 salary. There is hereby created a health benefits fund consisting
21 of all such withholdings from wages or salaries of employees. All
22 such withholdings shall be remitted to such fund. Said fund shall
23 be used to pay the portions of the premiums or periodic charges
24 for which the employee is responsible under this act. Whenever
25 any dividend or retrospective rate credit is declared or allowed by
26 a carrier under a contract, the commission shall determine, in an
27 equitable manner, the amount thereof attributable to the dependents
28 coverage and shall credit said fund with such amount.

1 2. There is appropriated for the purposes of this act to June 30,
2 1971 the sum of \$1,300,000.00 or so much thereof as may be
3 necessary.

1 3. This act shall take effect immediately and become operative
2 with respect to an employee at the beginning of his second biweekly
3 pay period or the calendar month occurring next thereafter in the
4 case of an employee reported on a monthly basis, as the case may be.