

52:14-17.32d ET AL

LEGISLATIVE HISTORY CHECKLIST

NJSA 52:14-17.32d & 17.32e

Laws of 1974 Chapter 192

Bill No. S1329

Sponsor(s) Martindell, Merlino & Parker

Date Introduced July 24

Committee: Assembly State Govt. & Federal & Interstate Relations

Senate State Govt. & Federal & Interstate Relations

Amended during passage Yes ~~NO~~ Amendments during passage denoted by asterisks

Date of passage: Assembly December 19

Senate November 25

Date of approval December 27

Following statements are attached if available:

Sponsor statement Yes ~~XXX~~

Committee Statement: Assembly ~~XXX~~ No

Senate Yes ~~XXX~~

Fiscal Note Yes ~~XXX~~

Veto message ~~XXX~~ No

Message on signing ~~XXX~~ No

Following were printed:

Reports ~~XXX~~ No

Hearings ~~XXX~~ No

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SENATE. No. 1329

STATE OF NEW JERSEY

INTRODUCED JULY 24, 1974

By Senators MARTINDELL, MERLINO and PARKER

Referred to Committee on State Government and Federal
and Interstate Relations

AN ACT to supplement the "New Jersey State Health Benefits Program Act," approved June 3, 1961 (P. L. 1961, c. 49, C. 52:14-17.25 et seq.), as said short title was amended by P. L. 1972, c. 75.

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

1 1. Notwithstanding any other regulation or statutory authority
2 pertaining to the continuation of coverage for those on an approved
3 leave of absence, the coverage of any eligible State employee and
4 of his dependents, if any, during any period of authorized leave
5 of absence for illness without pay, shall be continued for a period
6 of as much as 3 months or the equivalent number of payroll periods
7 for those not reported on a monthly basis; such period shall com-
8 mence following the last payroll period or month for which the
9 employee receives a salary payment. The premium for the coverage
10 extended for such period of leave of absence shall be paid for by
11 the State.

1 2. The coverage of an eligible State employee and of his depen-
2 dents, if any, during any period of authorized leave of absence
3 without pay shall terminate on the last day of the ***second***
4 coverage period ***following the last payroll period or month*** for
5 which premiums have been paid; provided, however, the coverage
6 of the employee and the employee's dependents may be continued
7 by such employee, if the employee shall pay in advance the total
8 premium required for the employee's coverage and the coverage of
9 the employee's dependents during such period of authorized leave
10 of absence without pay; provided, further, that no period of such
11 continued coverage shall exceed a total of 3 months, or the equiva-
12 lent number of payroll periods for those not reported on a monthly
13 basis, during which the employee receives no pay.

1 3. This act shall take effect immediately.

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

SENATE, No. 1329

STATE OF NEW JERSEY

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STATEMENT

This bill provides that for a period of up to 3 months while a State employee is on an authorized leave of absence without pay for illness, the State will pay the premium for health benefits coverage for said employee and his dependents. In addition, the bill provides that said employee can extend such coverage for an additional 3 months if he shall prepay the total premium required.

SENATE STATE GOVERNMENT AND FEDERAL AND
INTERSTATE RELATIONS COMMITTEE

STATEMENT TO
SENATE, No. 1329

—♦—
STATE OF NEW JERSEY
—♦—

DATED: OCTOBER 21, 1974

This bill provides that the State will pay the premium for health benefits coverage for a State employee and his dependents for a period of up to 3 months while the State employee is on an authorized leave of absence without pay for illness. The bill further provides that said employee can extend such coverage for an additional 3 months if he prepays the total premium required.

FISCAL NOTE TO
SENATE, No. 1329

STATE OF NEW JERSEY

DATED: SEPTEMBER 11, 1974

Senate Bill No. 1329 provides for the State to pay up to 3 months the premium for health benefits coverage while a State employee is on an authorized leave of absence without pay for illness, and permits the employee to pay for an additional 3 months.

The Division of Pensions states—

“In our original comments regarding this legislation we explained that we had no way of estimating the cost because the reporting of State employees on sick leave who prepaid their group health insurance was reported to us as if the individuals were in pay status. We also explained that the principal source of information would be the Division of Budget and Accounting since all prepayments were made to that agency and then forwarded to our division. We have been advised that in a 6-month period prepayments totaled \$23,000.00. If we were to allow for the fact that this does not represent all State employees, but only about 75% of them, the annual charge for those who are currently prepaying would be more like \$60,000.00. However, we also explained that if the State were to assume the cost for the employee and his dependents, the charges would be substantially greater because while some prepay when they are on leave of absence without pay, there are many who do not. In fact it would appear that for everyone who does prepay at least two do not. Thus the actual cost on the basis of the figures we have obtained from the Division of Budget and Accounting would make it appear to be about \$180,000.00 on an annual basis. Projecting new rates, beginning July 1, 1974, and allowing for an increase in the population, the cost would be about \$200,000.00. This should increase to \$250,000.00 in the following year with the expected substantial rise in rates and increased utilization as well as minimal population growth.

“We have no way of knowing the cost figures assumed by the Office of Employee Relations in its negotiations with employee organizations.”

The fiscal note is based on an estimate of costs rather than actual cost information.

In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1962, c. 27.