

SENATE BILL NO. 226—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF WASHOE COUNTY)

FEBRUARY 21, 2001

Referred to Committee on Government Affairs

SUMMARY—Removes limitation on amount of cost of premiums for health insurance that certain governmental entities may pay for retired employees. (BDR 23-320)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public employees; removing the limitation on the amount of the cost of premiums for health insurance that certain governmental entities may pay for retired employees; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 287.023 is hereby amended to read as follows:
2 287.023 1. Whenever an officer or employee of the governing body
3 of any county, school district, municipal corporation, political subdivision,
4 public corporation or other public agency of the State of Nevada retires
5 under the conditions set forth in NRS 286.510 or 286.620 and, at the time
6 of his retirement, was covered or had his dependents covered by any group
7 insurance or medical and hospital service established pursuant to NRS
8 287.010 and 287.020, the officer or employee has the option upon
9 retirement to cancel or continue any such group insurance or medical and
10 hospital service coverage or join the public employees' benefits program to
11 the extent that such coverage is not provided to him or a dependent by the
12 Health Insurance for the Aged Act, 42 U.S.C. §§ 1395 et seq.
13 2. A retired person who continues coverage under the public
14 employees' benefits program shall assume the portion of the premium or
15 membership costs for the coverage continued which the governing body
16 does not pay on behalf of retired officers or employees. A person who joins
17 the public employees' benefits program for the first time upon retirement
18 shall assume all costs for the coverage. A dependent of such a retired
19 person has the option, which may be exercised to the same extent and in
20 the same manner as the retired person, to cancel or continue coverage in



1 effect on the date the retired person dies. The dependent is not required to
2 continue to receive retirement payments from the public employees'
3 retirement system to continue coverage.

4 3. Except as otherwise provided in NRS 287.0235, notice of the
5 selection of the option must be given in writing to the last public employer
6 of the officer or employee within 30 days after the date of retirement or
7 death, as the case may be. If no notice is given by that date, the retired
8 employee and his dependents shall be deemed to have selected the option
9 to cancel the coverage or not to join the public employees' benefits
10 program, as the case may be.

11 4. The governing body of any county, school district, municipal
12 corporation, political subdivision, public corporation or other public
13 agency of this state may pay the cost, or any part of the cost, of group
14 insurance and medical and hospital service coverage for persons eligible
15 for that coverage pursuant to subsection 1. ~~but it must not pay a greater~~
16 ~~portion than it does for its current officers and employees.~~

17 **Sec. 2.** This act becomes effective on July 1, 2001.

