

**Pension and Health Benefits Review Commission
Vote Results
March 27, 2009**

A-2558 (Lampitt)

Makes part-time elected and appointed officials ineligible for publicly paid health care benefits if they are in any way eligible for other health care coverage.

Motion: Recommend to enact since there would be potential health care savings.

Discussion: The enactment of this bill is a first step in eliminating dual health benefit coverage for part-time elected and appointed officials. The provisions of this bill are limited to part-time elected and appointed officials. The Commission suggests that the bill should be expanded to impact all part-time State and local public employees.

A-2584 (O'Scanlon)

Prohibits certain public officers and employees from receiving dual health care benefit coverage.

Motion: Recommend to enact.

Discussion: The enactment of this bill would result in savings to the State.

A-3653 (Evans/Scalera)

Designates unmarried ex-spouse of marriage of 25 or more years as the widow or widower eligible for PFRS pension.

Motion: Recommend not to enact.

Discussion: The enactment of this bill would create inequities involving the new spouse in the case where a retiree remarries. Under this bill, the new spouse will no longer be entitled to the survivor's annuity. A more equitable approach to providing a benefit to the former spouse may be to pattern this benefit after federal rules governing private sector pension plans. The Retirement Equity Act of 1984 broadens the conditions under which spouses receive retirement benefits. Under this act, Qualified Domestic Relation Orders (QDRO) was created to allow for a court ordered division of a member's pension benefit between the retiree and an ex-spouse in the case of divorce. Federal rules regarding QDRO's do not apply to governmental plans. Under current procedures regarding the State-administered retirement plans, a court order can divide a member's pension benefit between the retiree and the ex-spouse, but it does not apply to the survivor's benefit. The pension benefit to both the member and the ex-spouse would begin at the member's retirement and cease at the time of the retiree's death.

A-3704 (Coutinho/O'Scanlon/DeAngelo)

Offers surviving spouse of TPAF or PERS member with 25 or more years of service choice of deferred pension instead of current return of contributions and non-contributory life insurance.

Motion: Recommend not to enact since there may be a more comprehensive system in naming the beneficiary and defining the level of benefit to be distributed.

Discussion: A more equitable approach to providing benefits to the surviving spouse may be to pattern this benefit similar to that of ERISA standards for governing private sector retirement plans, **AND OTHER MORE COMPREHENSIVE APPROACHES**. Since the bill has a retroactive provision it indicates it may be special legislation.

A-3710 (Quigley/Johnson)

Requires health insurers, SHBP, and SEHBP to provide coverage for interpreter services for persons who have limited English proficiency or deafness.

Motion: Recommend not to enact since there would be cost considerations and it has not been demonstrated that there is a need for these services.

Discussion: The enactment of this bill would increase both State and local health care cost to an additional \$4 million per year. It continues the questionable practice of mandating health benefit coverage.

S-2682 (Oroho/Sweeney) For Discussion Only

Expands scope of review of Pension and Health Benefits Review Commission.

Discussion: The Director of the Division of Pensions and Benefits addressed the Commission regarding the introduction of S-2682. The purpose of this bill is to require the Pension and Health Benefits Review Commission to review all legislation relating to the pension and health care plans or programs for State and other public employees. Currently, most, but not all, pension and health care legislation concerning public employees is reviewed by the commission. Legislation that affects the financing, procedures, or operations of pension or health care plans or programs, including all defined benefit retirement plans or systems, defined contribution retirement plans or programs, or deferred compensation or other individual retirement account-type plans, or that mandates or permits public entities to pay for employee health care benefits in active service or in retirement, are not certified for review by the commission.

This bill was not certified to the Commission since it does not modify pension or health benefit plans. If enacted the bill would expand the number of pension and health care bills certified to the Commission for review. Therefore, acknowledgement of the bill's introduction seems appropriate and worth discussion.