

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 448

Short Title: Health Plan Eligibility Change.

(Public)

Sponsors: Representatives Gardner; and Buchanan.

Referred to: Public Employees.

March 9, 1995

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT ELIGIBILITY FOR COVERAGE OF CERTAIN
2 EMPLOYEES UNDER THE NORTH CAROLINA TEACHERS' AND STATE
3 EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN IS BASED UPON
4 RETIREMENT MEMBERSHIP SERVICE, WHICH MAY BE EARNED AFTER
5 THE DISABILITY BEGAN.
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7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 135-40.2(d) reads as rewritten:

9 "(d) Former employees who are receiving disability retirement benefits or disability
10 income benefits pursuant to Article 6 of Chapter 135 of the General Statutes, provided
11 the former employee has at least five years of retirement membership ~~service at the time of~~
12 ~~disability, service,~~ shall be eligible for the benefit provisions of this Plan, as set forth in
13 this Part, on the same basis as a retired employee. Such coverage shall terminate as of
14 the end of the month in which such former employee is no longer eligible for disability
15 retirement benefits or disability income benefits pursuant to Article 6 of this Chapter."
16

17 Sec. 2. G.S. 135-40.11(c) reads as rewritten:

18 "(c) Termination of employment shall mean termination for any reason, including
19 layoff and leave of absence, except as provided in (a)(1) and (2) of this section, but shall
not, for purposes of this Plan, include retirement upon which the employee is granted an

1 immediate service or disability pension under and pursuant to a State-supported
2 Retirement System.

- 3 (1) In the event of termination for any reason other than death, coverage
4 under the Plan for an employee and his or her eligible spouse or
5 dependent children, provided the eligible spouse or dependent children
6 were covered under the Plan at termination of employment or were
7 covered on September 30, 1986, may be continued for a period of not
8 more than 18 months following termination of employment on a fully
9 contributory basis.
- 10 (2) Repealed by Session Laws 1985 (Regular Session, 1986), c. 1020, s.
11 29(r).
- 12 (3) In the event of approved leave of absence without pay, other than for
13 active duty in the armed forces of the United States, coverage under this
14 Plan for an employee and his or her dependents may be continued
15 during the period of such leave of absence by the employee's paying one
16 hundred percent (100%) of the cost.
- 17 (4) If employment is terminated in the second half of a calendar month and
18 the covered individual has made the required contribution for any
19 coverage in the following month, that coverage will be continued to the
20 end of the calendar month following the month in which employment
21 was terminated.
- 22 (5) Employees paid for less than 12 months in a year, who are terminated at
23 the end of the work year and who have made contributions for the non-
24 work months, will continue to be covered to the end of the period for
25 which they have made contributions, with the understanding that if they
26 are not employed by another State-covered employer under this Plan at
27 the beginning of the next work year, the employee will refund to the ex-
28 employer the amount of the employer's cost paid for them during the
29 non-paycheck months.
- 30 (6) Any employee receiving benefits pursuant to Article 6 of this Chapter
31 when the employee has less than five years of retirement membership
32 ~~service at the time of disability, service, or~~ an employee on leave of
33 absence without pay due to illness or injury for up to 12 months, is
34 entitled to continued coverage under the Plan for the employee and any
35 eligible dependents by the employee's paying one hundred percent
36 (100%) of the cost."

37 Sec. 3. This act is effective upon ratification and applies to disabled former
38 employees who have at least five years of retirement membership service on or after that
39 date.