



# STATE EMPLOYEES' INSURANCE BOARD

PO Box 304900 • Montgomery, AL 36130-4900  
201 South Union Street, Suite 200 • Montgomery, AL 36104  
Phone: 334-263-8300 • Fax: 334-263-8711  
www.alseib.org

Joe N. Dickson  
Chairman

William L. Ashmore  
CEO

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## Legislative Update

By: Sally Corley

It was a very busy three-day week at the Alabama Statehouse! The House broke their week-long filibuster on Reapportionment to pass the Education Trust Fund Budget on Wednesday night. The House plans to tackle the Jobs Act and Reapportionment on Tuesday of next week. The Senate passed the General Fund Budget and the Reapportionment bills last night. The General Fund Budget will likely go to conference committee next week to reconcile the differences between the House and Senate versions of the budget. The good news is that the House and Senate versions still have a rate of \$930 per active employee per month for SEIB. This rate is based on the number of active employees, but the funds are used to provide coverage for active employees, retirees and dependents. There are only six legislative days remaining in this session.

Below is a brief description of some of the bills we are tracking this session. Please know these weekly legislative updates are meant to keep you informed of legislation that may affect you, and they are provided to demonstrate the SEIB's commitment to the goal of providing the best health care coverage available at an affordable rate for our members.

### **BUDGET:**

#### **HB155/SB150 - FY18 GENERAL FUND BUDGET:**

The biggest item on our legislative agenda each year is the General Fund budget. The General Fund Budget currently funds SEIB at the requested rate of \$930 per active employee per month. The budget states that it is the intent of the Legislature that out of pocket costs for members are not increased by the SEIB. Funding for health insurance provides a benefit that helps all employees equally and also provides a benefit for retirees. We are hopeful that the Legislature will keep this rate for SEIB. Don't forget that if you qualify for "other employer health insurance coverage" through a spouse or another job, please contact your [SEIB Advisor](#) today to find out about savings opportunities that are immediately available to you.

**STATUS:** Passed the Senate and awaits conference or concurrence by the House.

### **HOUSE:**

#### **HB177 Pettus – Combine SEIB and PEEHIP Boards:**

Combines SEIB and PEEHIP under a new Public Employee Health Insurance Board (PEHIB). This is a 94-page bill that creates a new Board to administer both the State Employees' and Public Education Employees' health insurance plans, and it changes references in the Code to SEIB and PEEHIP to read as PEHIB.

**STATUS:** Had a public hearing in the House Ways and Means Education committee with no vote.

#### **HB284 Patterson – ABA Therapy for Autism:**

This bill originally required mandated coverage for Applied Behavior Analysis (ABA) Therapy with no age limit and no cap on the amount of therapy covered. In addition to requiring coverage to develop and

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restore the functioning status of an individual, this bill also adds treatment to maintain the functioning status of an individual. This bill specifically names SEIB and PEEHIP in the coverage mandate, and it was amended to also include Medicaid and ALL Kids. It was also amended to allow for maximum benefit levels based on age ranges and a one-year exemption for premiums that increase more than one percent as a result of this mandated coverage.

**STATUS:** Had a public hearing in Senate F&TG and may see a vote in that committee next Wednesday.

### **HB356 Patterson – Retirement Buyout/PLOP:**

This bill adds the option of a partial lump sum at the time of retirement not to exceed the sum of 2 years of monthly payments. It also allows former employees who are vested but not yet eligible to draw retirement to opt for a lump sum that is equal to the present value of their total retirement allowance. Choosing this option will not impact eligibility for health insurance coverage in retirement.

**STATUS:** Awaits third reading in the House as substituted and amended.

### **SENATE:**

#### **SJR52 Marsh – Budget Reform Task Force:**

Extends the duration of the Budget Reform Committee to the fifth legislative day of 2018, and requires an interim report from the Task Force on the last day of the 2017 session. The Task Force will meet monthly. The Committee has gathered a lot of data on state agencies and the budget, and they now have additional time to review this information.

**STATUS:** Enacted - Act number 2017-63.

#### **SB114/HB163 Pittman/McMillan – Community Colleges:**

This bill gives the Community College system corporate status and contains language to ensure all current and future employees maintain their current benefit structure. The main office employees have SEIB coverage while most community college employees have PEEHIP coverage. An amendment was added to both bills in committee to make sure that this benefit structure remains the same.

**STATUS:** Enacted – Act number 2017-171.

#### **SB408 Whatley – SEHIP Coverage for Former Legislators:**

This bill allows only 18-months of COBRA for legislators after they leave office. If legislators have served two full four year terms, they will be eligible for SEHIP coverage and they will pay the full cost of their coverage.

**STATUS:** Introduced this week and assigned to Senate F&TG.