

**ASSEMBLY BILL**

**No. 373**

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**Introduced by Assembly Member Mullin**

February 14, 2013

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An act to amend Section 21661 of the Government Code, relating to public employee health benefits.

LEGISLATIVE COUNSEL'S DIGEST

AB 373, as introduced, Mullin. Public Employees' Long Term Care Act.

The Public Employees' Long Term Care Act requires the Board of Administration of the Public Employees' Retirement System to contract with carriers offering long-term care insurance plans for eligible employees and annuitants, as defined. Existing law requires that long-term care insurance plans be made available periodically during open enrollment periods determined by the board.

This bill would make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 21661 of the Government Code is
- 2 amended to read:
- 3 21661. (a) The board shall contract with carriers offering
- 4 long-term care insurance plans.

1 The long-term care insurance plans shall be made available  
2 periodically during open enrollment periods *as* determined by the  
3 board.

4 (b) The board shall award contracts to carriers who are qualified  
5 to provide long-term care benefits, and may develop and administer  
6 self-funded long-term care insurance plans. The board may offer  
7 one or more long-term care insurance plans.

8 (c) The long-term care insurance plans shall include home,  
9 community, and institutional care and shall, to the extent  
10 determined by the board, provide substantially equivalent coverage  
11 to that required under Chapter 2.6 (commencing with Section  
12 10231) of Part 2 of Division 2 of the Insurance Code, if the carrier  
13 has been approved by the Department of Managed Health Care  
14 pursuant to Chapter 2.2 (commencing with Section 1340) of  
15 Division 2 of the Health and Safety Code.

16 (d) The classes of persons who shall be eligible to enroll are:

17 (1) Active and retired members and annuitants of the Public  
18 Employees' Retirement System, and their spouses, parents,  
19 siblings, and spouses' parents.

20 (2) Active and retired members and annuitants of the State  
21 Teachers' Retirement Plan, and their spouses, parents, siblings,  
22 and spouses' parents.

23 (3) Active and retired members and annuitants of the Judges'  
24 Retirement System, and their spouses, parents, siblings, and  
25 spouses' parents.

26 (4) Active and retired members and annuitants of the Judges'  
27 Retirement System II, and their spouses, parents, siblings, and  
28 spouses' parents.

29 (5) Active and retired members and annuitants of the  
30 Legislators' Retirement System, and their spouses, parents,  
31 siblings, and spouses' parents.

32 (6) Members of the California Assembly and Senate and their  
33 spouses, parents, siblings, and spouses' parents.

34 (7) Active and retired members and annuitants, and other classes  
35 of employees of a public agency that is located in this state, and  
36 their spouses, parents, siblings, and spouses' parents.

37 (e) An individual specified in paragraphs (1) to (7), inclusive,  
38 of subdivision (d) ~~may~~ *shall* not be eligible unless he or she resides  
39 in the United States, its territories and possessions, or in a country

1 in which a provider network can be established comparable in  
2 quality and effectiveness to those established in the United States.

3 (f) Notwithstanding paragraphs (1) to (7), inclusive, of  
4 subdivision (d), ~~no~~ a person ~~may~~ *shall not* be enrolled unless he  
5 or she meets the eligibility and underwriting criteria established  
6 by the board.

7 (g) Notwithstanding paragraphs (1) to (7), inclusive, of  
8 subdivision (d), enrollment of active employees of the State of  
9 California shall be subject to Section 19867.

10 (h) The board shall establish eligibility criteria for enrollment,  
11 establish appropriate underwriting criteria for potential enrollees,  
12 define the scope of covered benefits, define the criteria to receive  
13 benefits, and set any other standards as needed. As used in this  
14 section, “sibling” ~~shall mean~~ *means* a sibling who is at least 18  
15 years of age.

16 (i) The long-term care insurance plans ~~may~~ *shall* not become  
17 part of, or subject to, the retirement or health benefits programs  
18 administered by the system.

19 (j) For any self-funded long-term care plan developed by the  
20 board, the premiums shall be deposited in the Public Employees’  
21 Long-term Care Fund.