

AMENDED IN SENATE APRIL 12, 1999

SENATE BILL

No. 514

Introduced by Senator Chesbro

February 18, 1999

An act to add Section 22825.9 to the Government Code, relating to health care coverage, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 514, as amended, Chesbro. Health care coverage: rural areas: PERS.

The existing Public Employees' Medical and Hospital Care Act provides, for each state employee or annuitant living where there is not available a competitive health maintenance organization and a fee-for-service health plan is the only option, state employer contributions on the basis of the PERS Care premiums.

~~This bill would declare the intent of the Legislature to provide a subsidy to assist state employees in rural areas where there is no available health maintenance organization.~~

This bill would authorize the Board of Administration of the Public Employees' Retirement System to establish a health care premium subsidy for active and retired state employees who reside in areas of the state that are not serviced by any contracting health maintenance organizations. It would create the Rural Health Subsidy Fund for the purpose of receiving funds to pay for the premium subsidy, and would appropriate an unspecified amount from the General Fund to the Rural Health Subsidy Fund to be used for that purpose.

Vote: ~~majority~~ ^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

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

1 ~~SECTION 1. It is the intent of the Legislature to~~
2 ~~provide a subsidy to assist state employees in rural areas~~
3 ~~where there is no available health maintenance~~
4 ~~organization.~~

5 SECTION 1. Section 22825.9 is added to the
6 Government Code, to read:

7 22825.9. (a) Notwithstanding any other provision of
8 law, the board may establish a health care premium
9 subsidy for active and retired state employees who reside
10 in areas of the state that are not serviced by any
11 contracting health maintenance organizations.

12 (b) The Rural Health Subsidy Fund is hereby
13 established in the State Treasury for the purpose of
14 receiving funds to pay for the premium subsidy
15 authorized by subdivision (a).

16 SEC. 2. The sum of _____ dollars (\$____) is
17 appropriated from the General Fund to the Rural Health
18 Subsidy Fund, to be used to pay for the subsidy authorized
19 by Section 22825.9 of the Government Code.

