

House Bill No. 1031

An act relating to Lee County; amending chapter 74-522, Laws of Florida, as amended; revising the qualifications for employment or reemployment as a classified employee of the Lee County Sheriff's Office; providing definitions; revising and providing provisions relating to the funding of civil service board and retirement health insurance benefits; providing membership qualifications for participation in the Lee County Sheriff's Office group health insurance plan; specifying payment and premium provisions of the plan; specifying to whom benefits may be payable; providing participation requirements for certain terminated employees prior to their receiving a retirement benefit; requiring the office to be a secondary payor to certain coverage held from previous or subsequent employers; providing schedule requirements for employer premiums; providing the effect of Medicare eligibility; providing for methods of premium payments; providing a limitation on the selection of continued insurance benefits; providing the effect in instances of the death of an insured retiree; providing applicability to all classified and unclassified members of the office; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (6) of section 9 and section 15 of chapter 74-522, Laws of Florida, as amended by chapter 2007-320, Laws of Florida, are amended to read:

Section 9. **Qualifications for employment.**—The minimum standards and qualifications for employment or reemployment as a classified employee of the office of the Sheriff of Lee County, shall be as follows:

(6) All applicants having military service must submit a DD 214 indicating that they ~~have received no less than an their military service and discharge were under~~ honorably discharge from any of the Armed Forces of the United States. Applicants honorably conditions. Persons discharged from military service for medical conditions or reasons must be able to perform all functions and essential tasks of the position for which they have applied are applying.

Section 15. Funding of civil service board and retirement health insurance benefits.—

(1) Funding; board operations.—It shall be and is hereby made the duty of the Sheriff of Lee County to provide annually in his or her budget, a sufficient sum of money to enable the board to properly carry out the purpose ~~purposes~~ of this act.

(2) Continued group insurance benefits and funding of retirement insurance.—Pursuant to section 112.0801, Florida Statutes, the Sheriff of Lee County is required to offer all retirees the option of continuing to participate

in the agency's group health and hospitalization insurance plan. The premium for such continued insurance may be paid by the retiree or the employer.

(3) Definitions.—As used in this section, the term:

(a) “Eligible employee” means a classified or unclassified full-time member of the Lee County Sheriff's Office who fills a regularly budgeted position, participates in the Florida Retirement System, and meets the requirements of this section.

(b) “Employee premium” means the amount or portion of the health and hospitalization insurance premium payable by the employee or retiree expressed as a monthly dollar amount.

(c) “Employer premium” means the amount or portion of the health and hospitalization premium payable by the Lee County Sheriff's Office expressed as a monthly dollar amount.

(d) “Florida Retirement System” means the state-administered retirement system established for state and local government employees as defined in chapter 121, Florida Statutes.

(e) “Health insurance subsidy” means a monthly payment made to a retired Florida Retirement System member to assist in paying costs of health insurance as provided in section 112.363, Florida Statutes.

(f) “Lee County Sheriff's Office retirement health and hospitalization insurance plan” means the same health and hospitalization insurance plan and premium rates as are established for and offered to active members of the agency.

(g) “Premium” means the amount charged by the plan to provide individual or family health and hospitalization insurance coverage to active and retired members of the Lee County Sheriff's Office and their qualified dependents expressed as a monthly dollar amount. Premiums for retirees and qualified dependents shall not exceed premiums for active employees.

(h) “Qualified dependent” means the spouse or dependent child of a retiree who is entitled to continuing group health and hospitalization insurance benefits pursuant to section 112.0801, Florida Statutes, and the provisions of this section.

(i) “Retirement” means the act of terminating employment and becoming a retiree as defined in section 121.021(60) or section 121.4501(2)(j), Florida Statutes, and receiving a benefit from the Florida Retirement System.

(j) “Vested” or “vesting” means the guarantee that a member is eligible to receive a future retirement benefit as provided in section 121.021(45), Florida Statutes.

(4) Group health insurance; participation by retired employees with fewer than 15 years of service.—All persons who are retirees, as defined in

section 121.021(60) or section 121.4501(2)(j), Florida Statutes, from the Florida Retirement System and who terminate from the Lee County Sheriff's Office have the option, pursuant to section 112.0801, Florida Statutes, to continue to participate in the Lee County Sheriff's Office group health insurance plan. Retirees and qualified dependents shall be offered the same health and hospitalization insurance coverage as active employees at a cost of no more than the premium applicable to active employees. Participation in this plan is voluntary and all premiums for retirees and qualified dependents of retirees that have less than 15 years of service with the Lee County Sheriff's Office are employee premiums payable by the retiree or dependent. Retirees may also purchase, at their own expense, individual or family group dental insurance or vision insurance, or both, through the agency's group policies. Premiums may be adjusted annually based on actual qualified group costs to the Lee County Sheriff's Office.

(5) Retirement health insurance benefits for employees with 15 or more years of service; employer premium payments.—Effective October 1, 1986, and thereafter, it is the duty of the Sheriff of Lee County to provide annually in his or her budget a sufficient sum of money to pay a portion percentage of the cost of the health and hospitalization insurance premiums for employees of members of the Lee County Sheriff's Office who retire from active service after having accumulated at least 15 or more years of full-time, active creditable service with the office under the Florida Retirement System. Employer premiums The health insurance costs payable under this provision are limited to pursuant to this section include premiums for major medical and hospitalization insurance, and but do not include premiums for dental or vision insurance. Retirees may purchase, at their expense, individual or family group dental insurance or vision insurance, or both.

(6) Benefits payable under subsection (5).—Benefits payable under subsection (5) are only available to employees who retire from the Florida Retirement System and terminate employment after 15 or more years of service with the Lee County Sheriff's Office. A member of the Florida Retirement System employed prior to October 1, 2009, who has been a full-time member of the Lee County Sheriff's Office for the 10 years immediately preceding his or her retirement may claim up to 5 years of previous service with another Florida Retirement System employer subject to verification by the Division of Retirement of the Department of Management Services to meet the 15-year requirement as provided for in subsection (5). Persons hired by the Lee County Sheriff's Office on or after October 1, 2009, are not eligible to claim additional years of service from previous Florida Retirement System employers to qualify for employer-paid health and hospitalization insurance benefits as provided for in subsection (5).

(7) Termination after 15 years of service but prior to receiving a retirement benefit.—If an employee terminates from the Lee County Sheriff's Office after accumulating 15 years or more of full-time service as outlined in subsection (6), but prior to receiving a retirement benefit from the Florida Retirement System, he or she may continue participating in the Lee County Sheriff's Office group health and hospitalization insurance plan by paying the full current group premium rate for individual or family coverage. Upon

receiving written notification and documentation from the Florida Retirement System that the former employee has become a retiree of the Florida Retirement System, the Lee County Sheriff's Office shall begin to pay a portion of the retiree's, and dependents' if qualified, health and hospitalization insurance premium from the effective date of retirement. It is the retiree's responsibility to ensure that notification of retirement from the Florida Retirement System is made to the Lee County Sheriff's Office. No retroactive payments may be made due to the retiree's failure to timely notify the Lee County Sheriff's Office of his or her retirement.

(8) Retirement benefits from a previous or subsequent employer.—If a retiree, qualified under subsection (6) or subsection (7), is entitled to retirement health insurance benefits paid for by any previous or subsequent employer, the Lee County Sheriff's Office shall be a secondary payor to that coverage.

(9) Premium payments by the Lee County Sheriff's Office; employer premium.—The employer premium, the portion of a qualified retiree's health and hospitalization insurance premium payable by the Lee County Sheriff's Office, is dependent upon the retiree expressing a desire to participate in the Lee County Sheriff's Office group health and hospitalization plan and the following schedule:

(a) At 15 years of service the Lee County Sheriff's Office shall pay up to 75 percent of the portion of the retiree's health and hospitalization insurance premium that exceeds the amount of any health insurance subsidy paid to a retiree. For each full month of employment with the Lee County Sheriff's Office beyond 15 years the Sheriff's Office shall pay an additional 0.416 percent per month through 19 years and 11 months of service. The insured retiree may purchase, at his or her own expense, group coverage for a qualified spouse or dependents. Employee premium payments and payments for insurance coverage of dependents of the retiree are payable by the retiree.

(b) At 20 years of service and beyond, the Lee County Sheriff's Office shall pay up to 100 percent of the portion of the retiree's health and hospitalization insurance premium that exceeds the first \$100 of any health insurance subsidy received by a retiree and in addition shall pay 50 percent of the health and hospitalization insurance premium for any qualified spouse or dependents of the retiree. Any employee premium payments and the balance of payments for dependents of the retiree are payable by the retiree or qualified dependent. Any increase or decrease to the health insurance subsidy by the state shall be factored into the provisions of this subsection.

(c) Premiums may be adjusted annually based on actual qualified group costs to the Lee County Sheriff's Office.

(10) Effect of Medicare eligibility.—At such time as a retiree or qualified dependent covered under this section becomes eligible for Medicare health insurance, it is his or her responsibility to enroll in and utilize his or her Medicare benefits to pay primary, secondary, or last payments to the extent stated under federal law. The Lee County Sheriff's Office shall treat an eligible retiree or qualified dependent as enrolled in Medicare parts A and

B, regardless of actual enrollment, and base its payments on behalf of the retiree or qualified dependent as if the retiree or spouse has utilized his or her Medicare benefits.

(11) Method of premium payments.—Any employee premium payments or portions of employee premium payments due from the retiree must be made directly to the Lee County Sheriff's Office either by the retiree or by authorized deduction from his or her Florida Retirement System benefit payments.

(12) Limitation on selection of continued insurance benefits.—Retirement insurance benefits are only available to an employee at the time he or she retires from the Florida Retirement System, except as provided in subsection (7). All benefits must be applied for within 60 days of the employee's last physical day of employment. If an employee chooses not to receive any or all retirement benefits or fails to make a selection of benefits during this time period, he or she does not have the option to do so at a later date. Retirees receiving benefits may only add dependents at a later date if a qualifying event has occurred.

(13)(a) Death of insured retiree.—Upon the death of an insured retiree, his or her spouse or qualified dependents, or both, may continue to participate in any group health and hospitalization plan that was in force on them at the time of such death. The death of a retiree shall not be considered a qualifying event to add additional persons or modify existing insurance coverage. Premiums shall not be increased unless there is an overall increase in premiums for active employees.

(b) In the event that a current classified employee of the Lee County Sheriff's Office dies or becomes totally and permanently disabled while carrying out the duties of his or her office but does not qualify for benefits under section 112.19, Florida Statutes, the employee shall be considered retired from the Lee County Sheriff's Office at the date of such death or total and permanent disability. This retirement shall qualify the employee and his or her surviving qualified dependents to be insured according to current Sheriff's Office policy and under this section provided that the employee meets all requirements contained in this section as to length of service and selection of benefits.

(14) Participation of classified and unclassified members.—This section shall apply to all classified and unclassified members of the Lee County Sheriff's Office alike, provided that they meet all eligibility requirements found in this section. When a retiree receiving this health insurance benefit becomes eligible for Medicare, his or her health coverage will convert to the Medicare Supplement health insurance.

(a) In order to receive this benefit, the retiree must have served with the Lee County Sheriff's Office for the 10 years immediately preceding his or her retirement. The retiree may claim up to 5 years of creditable service earned while in the employ of another member agency within the Florida Retirement System. The Lee County Sheriff's Office shall verify all years of creditable service claimed through the Division of Retirement of the Department of Administration.

~~(b) If an employee retires from the Lee County Sheriff's Office after at least 10 years of service with the department, but before reaching retirement age, and has participated in the Florida Retirement System for at least 15 years, he or she may pay his and her or his and her dependent's health insurance costs until he or she begins to receive retirement benefits under the Florida Retirement System. The Lee County Sheriff's Office shall begin to pay a percentage of the employee's health insurance costs when he or she begins to receive such retirement benefits. The retiree shall give the sheriff's office written notice of the date of payment of his or her initial retirement benefit. The Lee County Sheriff's Office shall verify this date through the Division of Retirement of the Department of Administration.~~

~~(c) The Lee County Sheriff's Office shall base the percentage of a retiree's health insurance costs it will pay upon the number of years of creditable service that the retiree has accumulated in the Florida Retirement System. Fifteen years of creditable service entitles the retiree to have 75 percent of his or her health insurance premiums paid by the sheriff's office. The sheriff's office shall pay an additional 5 percent of the insurance premiums for each year of service in excess of 15 years until reaching a maximum of 100 percent of the premium at 20 years of service. The Lee County Sheriff's Office shall pay an additional one-twelfth of 1 percent of the premium for each month served until the full 100 percent is paid.~~

~~(d) If an employee has health insurance coverage through a previous employer, the Lee County Sheriff's Office will be the secondary payor.~~

~~(e) If an employee receives a retiree health insurance subsidy from the state, the Lee County Sheriff's Office shall reduce the amount it pays of the employee's health insurance premiums by the amount of the subsidy.~~

~~(f) The Lee County Sheriff's Office shall pay for the health insurance coverage of the retiree and 50 percent of his or her dependents' health insurance coverage only if the retiree's health insurance is paid at 100 percent of the premium at 20 years of service. A retiree who obtains benefits without attaining 20 years of service may pay for the health insurance of his or her dependents. Upon a retiree's death, his or her spouse may continue the health insurance coverage previously provided by the retiree. Premiums must be paid to the Lee County Sheriff's Office.~~

~~(g) This retiree health insurance benefit is only available to an employee when he or she retires. If the employee does not elect to receive the insurance benefit upon retiring, he or she does not have the option of receiving the benefit at a later date.~~

Section 2. This act shall take effect upon becoming a law.

Approved by the Governor June 10, 2008.

Filed in Office Secretary of State June 10, 2008.