



STATE EMPLOYEES' INSURANCE BOARD

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Legislative Update

By: Sally Corley

The House of Representatives passed their version of the Education Trust Fund Budget out of committee this week, and it will be considered by the full House next week. The General Fund Budget will be in committee on Wednesday morning and could be considered by the full Senate as early as Thursday. Tensions are running high in both chambers after cloture motions have been used to pass controversial bills. With nine legislative days remaining and less than a month to complete them, the next few weeks will likely be fast and furious.

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 House and awaits action by Senate committee.

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.

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.

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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.

AUTISM BILLS:

SB57 Allen:

This bill appropriates \$3 million to the Department of Mental Health from the ETF, and specifies that the Department of Mental Health is to administer an Applied Behavior Analysis (ABA) Therapy program for children ages birth to 9 who are diagnosed with autism spectrum disorder. The cost is not to exceed \$40,000 annually per child.

STATUS: Carried over to the call of the chair in Senate Health Committee.

HB404 JD Williams:

Essentially the same as SB57 in that it appropriates \$3 million to the Department of Mental Health from the ETF, and specifies that the Department of Mental Health is to administer an ABA Therapy program for children ages birth to 9 diagnosed with autism spectrum disorder. The cost is not to exceed \$40,000 annually per child. Uses slightly different language than SB57, and adds the requirement that ABA Therapy is to be performed by those licensed by the Alabama Behavior Analyst Licensing Board.

STATUS: Introduced in the House.

SB164 Whatley:

This bill requires mandated coverage of ABA Therapy for qualifying children ages nine and under with an annual cap of \$36,000. In addition to requiring coverage to develop and restore the functioning status of an individual, this bill also adds treatment to maintain the functioning status of an individual.

STATUS: Introduced in the Senate.

HB284 Patterson:

This bill originally required mandated coverage for ABA Therapy with no age limit and no cap on the amount of therapy covered. In addition to requiring coverage to develop and 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 this week to also include Medicaid and ALL Kids. Another amendment allows for maximum benefit levels based on age ranges, and it also allows a one-year exemption for premiums that increase more than one percent as a result of this mandated coverage.

STATUS: Passed the House and was assigned to the Senate F&TG committee.