**A** **BILL**

TO AMEND SECTION 1‑11‑710, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE BOARD OF DIRECTORS OF THE SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY’S DUTY TO MAKE CERTAIN INSURANCE PLANS AVAILABLE TO STATE AND PUBLIC SCHOOL DISTRICT EMPLOYEES, SO AS TO REQUIRE THAT THE GROUP HEALTH PLAN COVER COLD CAP AND SCALP COOLING SYSTEMS, BEGINNING AUGUST 15, 2019.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 1‑11‑710 of the 1976 Code is amended to read:

“Section 1‑11‑710. (A) The board shall:

(1) make available to active and retired employees of this State and its public school districts and their eligible dependents group health, dental, life, accidental death and dismemberment, and disability insurance plans and benefits in an equitable manner and of maximum benefit to those covered within the available resources;

(2) approve by August fifteenth of each year a plan of benefits, eligibility, and employer, employee, retiree, and dependent contributions for the next calendar year. The board shall devise a plan for the method and schedule of payment for the employer and employee share of contributions and by July first of the current fiscal year, develop and implement a plan increasing the employer contribution rates of the State Retirement Systems to a level adequate to cover the employer’s share for the current fiscal year’s cost of providing health and dental insurance to retired state and school district employees. The state health and dental plans must include a method for the distribution of the funds appropriated as provided by law which are designated for retiree insurance and also must include a method for allocating to school districts, excluding EIA funding, sufficient general fund monies to offset the additional cost incurred by these entities in their federal and other fund activities as a result of this employer contribution charge. The funds collected through increasing the employer contribution rates for the State Retirement Systems under this section must be deposited in the SCRHI Trust Fund established pursuant to Section 1‑11‑705. The amounts appropriated in this section shall constitute the State’s pro rata contributions to these programs except the State shall pay its pro rata share of health and dental insurance premiums for retired state and public school employees for the current fiscal year;

(3) adjust the plan, benefits, or contributions, at any time to insure the fiscal stability of the system;

(4) set aside in separate continuing accounts in the State Treasury, appropriately identified, all funds, state‑appropriated and other, received for actual health and dental insurance premiums due. Funds credited to these accounts may be used to pay the costs of administering the state health and dental plans and may not be used for purposes of other than providing insurance benefits for employees and retirees. A reserve equal to not less than one and one‑half months’ claims must be maintained in the accounts.

(B) The board may authorize the Insurance Reserve Fund to provide reinsurance, in an approved format with actuarially developed rates, for the operation of the group health insurance or cafeteria plan program, as authorized by Section 9‑1‑60, for active and retired employees of the State, and its public school districts and their eligible dependents. Premiums for reinsurance provided pursuant to this subsection must be paid out of state appropriated and other funds received for actual health insurance or cafeteria plan premiums due.

(C) Notwithstanding Sections 1‑23‑310 and 1‑23‑320 or any other provision of law, claims for benefits under any self‑insured plan of insurance offered by the State to state and public school district employees and other eligible individuals must be resolved by procedures established by the board, which shall constitute the exclusive remedy for these claims, subject only to appellate judicial review consistent with the standards provided in Section 1‑23‑380.

(D) The General Assembly intends to authorize funding for the SCRHI Trust Fund in order to make progress toward reaching or maintaining the minimum annual required contribution under Governmental Accounting Standards Board Statement No. 45. The board shall determine the minimum annual required contribution pursuant to Section 1‑11‑705(H).

(E) Beginning August 15, 2019, the plan approved by the board must provide coverage for the equipment, supplies, and use of cold caps and scalp cooling systems for the treatment of people undergoing chemotherapy. This subsection does not prohibit the implementation of additional co‑pay requirements above any out‑of‑pocket limits.”

SECTION 2. This act takes effect upon approval by the Governor.

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