

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4285 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Stephen Ehardt  
House Committee: Senior Health, Security and Retirement  
Senate Committee: Education

### **CONTENT**

The bill would amend the Public School Employees Retirement Act to require the Michigan Public School Employees' Retirement System to withhold, upon written application of a retirant, the entire monthly premium for voluntary long-term care insurance for the retirant, the retirement allowance beneficiary, and health insurance dependents, who elected coverage in a long-term care insurance plan authorized by the retirement system. If the entire monthly premium for retirants, beneficiaries, and dependents were greater than the retirement allowance, the system would have to withhold the entire retirement allowance and apply it to the premium balance.

The bill would define "long-term care insurance" as group insurance authorized by the retirement system for retirants, retirement allowance beneficiaries, and health insurance dependents to cover the costs of services provided to retirants, retirement allowance beneficiaries, and health insurance dependents, from nursing homes, assisted living facilities, home health care providers, adult day care providers, and other similar service providers.

MCL 38.1304

Legislative Analyst: Claire Layman

### **FISCAL IMPACT**

The bill could result in a minimal increase in the administrative costs for the retirement system. The cost associated with withholding the premiums would depend on the number of retirees who chose to have the premiums withheld. The bill would have no fiscal impact on local government.

Date Completed: 5-16-03

Fiscal Analyst: Joe Carrasco