Pension and Health Benefits Review Commission
Vote Results
June 5, 2015

A-114 (McHose/Vainieri Huttle/Casagrande/O’Scanlon)/S-883 (Beck/Oroho)
Suspends pension of any retired public employee who resumes public employment with compensation more than $15,000.

Motion: Recommend to enact.

Discussion: The Commission supports this bill since its objective coincides with the fundamental philosophy inherent in the laws governing the State public retirement systems that precludes receiving both a public pension and a public salary simultaneously (i.e. double-dipping). However, it may not provide the optimal solution. Other alternatives than the $15,000 cap to address this pension abuse should be explored.

A-828 (Mainor/Riley/Stender)
Extends period for requested medical exam for disability benefits under PFRS to every two years until 55 years of age.

Motion: Recommend to enact.

Discussion: The Commission supports this bill since it may serve to mitigate the award of disability pensions when a member is not truly “totally and permanently” disabled. This bill only amends the PFRS statutes. Consideration should be given to extending the same provision to the Public Employees’ Retirement System (PERS), the Teachers’ Pension and Annuity Fund (TPAF) and the State Police Retirement System (SPRS). The PERS and TPAF laws contain provisions similar to PFRS, limiting annual exams to once a year for five years for members under age 60 awarded a disability pension. The SPRS pension laws do not currently contain provisions requiring post-retirement annual exams for disability pension recipients.

A-1018 (Benson)/S-265 (Greenstein)
Requires health insurance coverage for certain amino acid-based elemental formulas.

Motion: Recommend not to enact.

Discussion: The Commission opposes this bill because over-the-counter drugs normally are not covered by the SHBP/SEHBP, it will increase SHBP/SEHBP costs for all employers participating in the plan, it shifts the final determination of medically necessary for insurance coverage away from the plan to the treating physician, and it usurps the authority of the SHBP/SEHBP Plan Design Committees.

A-2543 (Burzichelli)
Prohibits new employees of certain organizations from enrolling in State-administered retirement system or health care plan of public employer.

Motion: Recommend to enact.

Discussion: The Commission supports this bill with the advice of legal counsel indicating that the enactment of this bill would not jeopardize the tax-qualified status of the State-
administered pension plans and with the recommendation that it prohibit new employees of the League of Municipalities, the Association of Counties and the School Boards Association, but not apply to the other organizations listed that the Commission interprets as governmental entities.

**A-2676 (Conaway)/S-1231 (Weinberg)**
Restricts health insurers from limiting access to pain medication.

**Motion:** Recommend not to enact.

**Discussion:** The Commission opposes this bill because it’s unnecessary as far as the SHBP/SEHBP is concerned, and it usurps the SHBP and SEHBP Plan Design Committees’ authority to institute plan design changes.

**A-3510 (Andrzejczak)/S-1362 (Van Drew)**
Provides for one-time increase of PFRS retiree annual pensions under $32,000.

**Motion:** Recommend not to enact.

**Discussion:** The Commission opposes this bill because its provisions only apply to the PFRS – the other State plans are excluded, and State and local employer unfunded pension liabilities and annual pension costs will increase and implicates State Mandate/State Pay.

**A-4271 (Conaway)**
Requires health benefits coverage for opioid analgesics with abuse-deterrent properties.

**Motion:** Recommend not to enact.

**Discussion:** The Commission opposes this bill because plan costs will increase, and it usurps the authority of the SHBP/SEHBP Plan Design Committees.

**S-653 (Doherty)**
Extends certain PERS benefits to veterans of "Operation Uphold Democracy".

**Motion:** Recommend not to enact.

**Discussion:** The Commission opposes this bill because employer pension costs will increase, and it ignores similarly situated members in the Teachers’ Pension and Annuity Fund (TPAF) and the Police and Firemen’s Retirement System (PFRS) which also offer veterans benefits.

**S-2005 (Greenstein)**
Permits institutions of higher education to make supplemental contributions to ABP.

**Motion:** Recommend not to enact.

**Discussion:** The Commission opposes this bill because its elective provision may jeopardize the tax-qualified status of the ABP.