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Senate Fiscal Agency  
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Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

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Senate Bill 462 (as reported with amendment)  
Sponsor: Senator Dale L. Shugars  
Committee: Appropriations

### **CONTENT**

The bill would amend the Public School Employees Retirement Act to give retirees the option of voluntarily enrolling in a group insurance plan that would help cover the costs of long-term care in nursing homes, assisted living facilities, home health care providers, adult day care providers, or other similar service providers. Upon written application of a retirant, the retirement system could withhold (at its option) from the retirant's monthly benefit the amount necessary to pay the entire monthly premium for this long-term care coverage. If the monthly premium were greater than the monthly retirement benefit, the entire monthly retirement benefit could be withheld and applied toward the balance of the monthly premium. The retirant would be responsible for the remainder of the monthly premium from personal resources. The long-term care coverage insurance would cover not only retirants, but also their retirement allowance beneficiaries and health insurance dependents.

MCL 38.1304 et. al

### **FISCAL IMPACT**

This bill would have no fiscal impact on the State since the retirant would be paying the entire monthly premiums from his or her pension and, if necessary, his or her own outside sources.

Date Completed: 6-7-01

Fiscal Analyst: J. Carrasco