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Scoppe: The legislative insurance perk

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AS TEDIOUS as the Republicans in the Congress have become with their apparently drug-induced fantasies of repealing "Obamacare," the Democrats are at least as annoying with their demands that GOP lawmakers give up their "government" health insurance. Since being a member of the Congress is a full-time job, most honest people would call that "employer-sponsored health insurance," which is precisely what the Republicans seem to believe is the solution to all our problems.

But with this war of words being waged ridiculously in South Carolina's State House, Democrats in the state Senate have actually raised a legitimate topic for debate — albeit quite a different one than they were trying to raise.

The problem isn't, as Sen. Brad Hutto insisted last week, that *Republican* legislators get to purchase insurance that's subsidized by S.C. taxpayers while fighting to deprive others of insurance that's subsidized by U.S. taxpayers; those are apples and zucchini. The problem is that our *part-time* state legislators, regardless of party or health-care philosophy, can purchase heavily subsidized insurance just like full-time state employees. Unless or until the Legislature provides similarly subsidized insurance to all South Carolinians who want it, this is just one more example of our Legislature giving itself extremely valuable perks that normally are associated with full-time employment.

Although it might become less valuable once the federal health law is fully implemented, state health insurance long has been among the sweetest of perks that our part-time legislators give themselves — in some cases sweeter even than their super-subsidized special legislative pension system.

You remember the legislative pension system, of course. It's the one that taxpayers subsidize at more than twice the rate we subsidize the pensions for the teachers and social workers and janitors and clerks and other people who work 40 hours a week for our state. Last year, we kicked in $4.78 for every dollar legislators contributed toward their own retirement, compared to $1.46 for regular employees.

The General Assembly Retirement System, or GARS as it's called by acronym-crazy insiders, allows legislators to draw a retirement check that's 155 percent of their pay — three times what regular employees can draw, and then only if they work 30 years or purchase additional credit at unsubsidized rates. It allows legislators to keep purchasing credit in the system at those super-subsidized rates even after they leave office — even if the voters kick them out of office.

It's the pension system that won't ever go broke, because the Legislature appropriates whatever amount of money is needed each year to keep it solvent; last year, the Legislature put *more* tax money into its own pension system than in any previous years. Even as it put *less* tax money into the regular state pension system. Even as it was forcing state agencies to lay off employees.

For legislators who hold down full-time jobs with the government or big corporations with easy access to group health insurance, the pension remains the best deal going. But many legislators don't work for large employers. They're self-employed — if they have real jobs at all. And if they or their spouses have any of those pesky pre-existing conditions — cancer, say, or diabetes or other chronic conditions — then they might not be able to find anyone who would sell them insurance in the pre-Obamacare world; if they did, the cost could bankrupt them.

But get elected, and presto, they get to purchase a very good insurance policy, no questions asked about their health, with low deductibles and low rates that don't go up nearly as fast as they're going up in the private sector. (Wonder why that is?) This option isn't available to most part-time state employees. And unlike full-time employees, legislators can keep purchasing the insurance, although without the taxpayer subsidy, even if we kick them out of office.

Legislators *do* pay the same rates as regular state employees, and they receive the same benefits. The state pays $279 a month toward an employee-only plan and $695 for a full family plan. (Employees pay from $9.28 a month to $1,107, depending on which plan and how many people are covered. The most popular plan costs employees from $93 a month to cover one person to $295 for a full family.) Add in dental, life and long-term disability insurance, and the state is spending up to $8,524 a year to help each legislator insure his or her family. For perspective, that adds more than a third to legislators' compensation package ($11,400 salary and the $12,000 "in-district expense" money that the IRS considers income since legislators are free to pocket it).

Democrats have a point when they suggest that this insurance perk could make legislators less sensitive to the plight of the one in six South Carolinians who don't have any sort of health insurance — and for whom the deeply flawed federal health law is the only hope they have of ever getting coverage. But the idea that Democrats' own support of the federal law makes it OK for them to receive full-time benefits for part-time work is completely off-base. It's simply not a legitimate perk.

Now, *that* would be a legitimate health insurance topic for our legislators to debate. But of course it's not nearly as much fun to take insurance away from yourself as it is to spout off on federal matters over which you have no control and for which no one can hold you responsible.

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