

1975 WL 29732 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

April 18, 1975

***1 Re: Payroll Deductions for State Health Insurance**

Jack S. Mullins, Ph. D.
Director
South Carolina Personnel Division
1205 Pendleton Street
Columbia, South Carolina 29201

Dear Dr. Mullins:

You have asked for an opinion as to the legality of the Comptroller General's Office automatically adjusting the payroll deductions of state employees to conform with the new rates for the South Carolina Health Insurance Program.

As you and your staff have explained, it is the practice in this state for each state employee to sign a 'Notice of Election for Group Health and Life Benefits for South Carolina State and School District Employees' upon their initial employment with the State of South Carolina. This form allows the employee to elect which health insurance coverage, whether standard or expanded, the employee desires. It also allows the employee to designate the type of membership that he desires. Further if the employee elects a program which requires payroll deductions, he is required to sign the payroll deduction authorization clause which states; 'I hereby authorize my employer to deduct from my salary premiums necessary to pay for the above selected programs.' This authorization purposely designates which plans have been selected but does not designate any specific premium which must be deducted.

On July 1, 1975, the premiums for the state health insurance will be increased by the carrier and larger payroll deductions will be required. You have stated that it is your intention to inform all state employees of the pending increase prior to any increased deduction from an employee's paycheck. If an employee does not desire to continue with the program they selected, they may revoke the authorization and will be allowed to select another program with lesser benefits and lesser deductions. This election is revocable either before the increased premiums go into effect or after the premiums have gone into effect. Therefore there is no prejudice to any state employee because of the premium increases.

The 'Appropriations Act,' Number 1136, Statutes at Large of South Carolina, 1974, at page 2443 authorizes the Budget and Control Board to obtain health insurance as 'may be determined by the Board to be of maximum benefit to those covered.' It is the opinion of this Office that since state employees already have selected the health insurance plan which they desire, and that no state employee will be prejudiced in any way by your plan; that it is legally permissible for the Office of the Comptroller General to automatically change the bi-weekly payroll deduction without requiring all state employees to complete new Employees Withholding and Deductions Form P-4 and Payroll Advice Form P-10.

I hope this will help resolve your questions in this matter.

Very truly yours,

Stephen T. Savitz
Assistant Attorney General

1975 WL 29732 (S.C.A.G.)

End of Document

© 2018 Thomson Reuters. No claim to original U.S. Government Works.