

SUBJECT: COUNTY OFFERING CASH IN LIEU OF HEALTH INSURANCE

SUMMARY:

A County would not be restricted by the Ethics Reform Act from offering County employees extra compensation in lieu of health insurance.

QUESTION:

The Laurens County Administrator questions whether there is any restriction in the Ethics Reform Act which would prevent the County from offering employees cash when employees do not participate in the County-provided health insurance program. Those employees who do not desire to participate in the insurance program would receive additional compensation which would appear on their W-2 forms.

DISCUSSION:

This opinion is rendered in response to a letter dated January 15, 1992 requesting an opinion from the State Ethics Commission. The Commission's jurisdiction is limited to the applicability of the Ethics, Government Accountability, and Campaign Reform Act of 1991 (Act No. 248 of 1991; Section 8-13-100 et. seq., as amended, 1976 Code of Laws). This opinion does not supersede any other statutory or regulatory restrictions or procedures which may apply to this situation.

Employees who are covered under another insurance plan or don't desire such coverage would be able to receive the county share of the cost as extra compensation.

The State Ethics Commission does not believe that there are any prohibitions against County employees being offered the plans as extra compensation.