



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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May 24, 2005

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2005-46

TO: All ISIS HR Paid and Non-paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: House Concurrent Resolution 28 – Medicare Divided Vote Referendum

House Concurrent Resolution 28, currently being considered by the Legislature, would authorize a divided vote referendum option for Medicare coverage for certain state employees hired prior to April 1, 1986. Currently these employees do not pay Medicare taxes. This divided vote referendum would allow these employees to make a choice to begin paying Medicare taxes.

Although the resolution is still being considered, it is expected to pass. The effective date of the bill is October 1, 2005. The State Treasurer's Office is responsible for holding the referendum and working with state agencies to notify affected employees, conduct the referendum, and certify the votes to the Social Security Administration (SSA). SSA has specific requirements that must be followed for conducting referendums. Because of the requirements of SSA and the effective date of the resolution, there is a very small time frame to accomplish all that is required.

Linda Yelverton of the State Treasurer's Office will hold a meeting for all HR Directors on **June 2** to explain the effect of the resolution and to discuss the plan of action for agencies. The meeting will begin at 9:00 a.m. and will be held in room 1-100 of the Claiborne Building, which is located at 1201 North Third Street in Baton Rouge. **All HR Directors of agencies affected, or a representative, must attend the meeting.**

All ISIS HR paid agencies and most other entities with state employees will be included in this state referendum. Contact Linda Yelverton for assistance in determining if your agency will be included in the referendum.

Once the meeting adjourns, ISIS HR Paid agencies will remain for instructions from the Office of State Uniform Payroll.

Any questions regarding the referendum should be directed to Linda Yelverton at (225) 342-0026.

JWC/AH/kmb