

SENATE BILL No. 447

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-8.

Synopsis: Retired state employees health insurance. Provides that the state shall pay the employer's share of the health insurance premium for retired state employees who are not eligible for Medicare coverage and meet certain other requirements. Permits a retired employee to elect to provide health insurance benefits for the employee's dependent children if the employee pays the amount the employee would have been required to pay for the coverage had the employee not retired.

Effective: July 1, 1998.

Craycraft

January 13, 1998, read first time and referred to Committee on Pensions and Labor.

C
o
p
y



Introduced

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

SENATE BILL No. 447

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-10-8-8, AS AMENDED BY P.L.67-1995,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]: Sec. 8. (a) This section applies only to the state and its
4 employees who are not covered by a plan established under section 6
5 of this chapter.
6 (b) After June 30, 1986, the state shall provide a group health
7 insurance plan to each retired employee:
8 (1) whose retirement date is:
9 (A) after June 29, 1986, for a retired employee who was a
10 member of the field examiners' retirement fund;
11 (B) after May 31, 1986, for a retired employee who was a
12 member of the Indiana state teachers' retirement fund; or
13 (C) after June 30, 1986, for a retired employee not covered
14 by clause (A) or (B);
15 (2) who will have reached fifty-five (55) years of age on or
16 before the employee's retirement date but who will not be
17 eligible on that date for Medicare coverage as prescribed by 42



C
O
P
Y

1 U.S.C. 1395 et seq.;

2 (3) who will have completed twenty (20) years of creditable
3 employment with a public employer on or before the employee's
4 retirement date, ten (10) years of which shall have been
5 completed immediately preceding the retirement; and

6 (4) who will have completed at least fifteen (15) years of
7 participation in the retirement plan of which the employee is a
8 member on or before the employee's retirement date.

9 **(c) After June 30, 1998, the state shall provide a group health
10 insurance plan to each retired employee:**

11 **(1) whose retirement date is after:**

12 **(A) June 29, 1998, for a retired employee who was a
13 member of the field examiners' retirement fund;**

14 **(B) May 31, 1998, for a retired employee who was a
15 member of the Indiana state teachers' retirement fund;
16 or**

17 **(C) June 30, 1998, for a retired employee not covered by
18 clause (A) or (B);**

19 **(2) who will have reached fifty-five (55) years of age on or
20 before the employee's retirement date but who will not be
21 eligible on that date for Medicare coverage as prescribed by
22 42 U.S.C. 1395 et seq.;**

23 **(3) who will have completed twenty (20) years of creditable
24 employment with a public employer on or before the
25 employee's retirement date, ten (10) years of which shall
26 have been completed immediately preceding the retirement;
27 and**

28 **(4) who will have completed at least ten (10) years of
29 participation in the retirement plan of which the employee is
30 a member on or before the employee's retirement date.**

31 ~~(c)~~ **(d) The state shall provide a group health insurance program
32 to each retired employee:**

33 **(1) who is a retired judge;**

34 **(2) whose retirement date is after June 30, 1990;**

35 **(3) who is at least sixty-two (62) years of age;**

36 **(4) who is not eligible for Medicare coverage as prescribed by 42
37 U.S.C. 1395 et seq.; and**

38 **(5) who has at least eight (8) years of service credit as a
39 participant in the Indiana judges' retirement fund, with at least
40 eight (8) years of that service credit completed immediately
41 preceding the judge's retirement.**

42 **(e) The state shall provide a group health insurance program**

C
O
P
Y



1 **to each retired employee:**

- 2 (1) **who is a retired judge;**
 3 (2) **whose retirement date is after June 30, 1998;**
 4 (3) **who is at least sixty-two (62) years of age;**
 5 (4) **who is not eligible for Medicare coverage as prescribed**
 6 **by 42 U.S.C. 1395 et seq.; and**
 7 (5) **who has at least eight (8) years of service credit as a**
 8 **participant in the Indiana judges' retirement fund, with at**
 9 **least eight (8) years of that service credit completed**
 10 **immediately preceding the judge's retirement.**

11 ~~(f)~~ (f) The state shall provide a group health insurance program to
 12 each retired employee:

- 13 (1) who is a retired participant under the prosecuting attorneys
 14 retirement fund;
 15 (2) whose retirement date is after January 1, 1990;
 16 (3) who is at least sixty-two (62) years of age;
 17 (4) who is not eligible for Medicare coverage as prescribed by 42
 18 U.S.C. 1395 et seq.; and
 19 (5) who has at least ten (10) years of service credit as a
 20 participant in the prosecuting attorneys retirement fund, with at
 21 least ten (10) years of that service credit completed immediately
 22 preceding the participant's retirement.

23 ~~(g)~~ (g) The state shall make available a group health insurance
 24 program to each former member of the general assembly or surviving
 25 spouse of each former member if the former member:

- 26 (1) is no longer a member of the general assembly;
 27 (2) is not eligible for Medicare coverage as prescribed by 42
 28 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the
 29 surviving spouse is not eligible for Medicare coverage as
 30 prescribed by 42 U.S.C. 1395 et seq.; and
 31 (3) has at least ten (10) years of service credit as a member in the
 32 general assembly, with at least eight (8) years of that service
 33 credit completed immediately preceding the member's retirement
 34 or death.

35 A former member or surviving spouse of a former member who obtains
 36 insurance under this section is responsible for paying both the
 37 employer and the employee share of the cost of the coverage.

38 ~~(h)~~ (h) The group health insurance program required under
 39 subsections (b) through ~~(e)~~ (g) must be equal to that offered active
 40 employees. The retired employee may participate in the group health
 41 insurance program if the retired employee pays an amount equal to the
 42 ~~employer's and the~~ employee's premium for the group health insurance



C
O
P
Y

1 for an active employee and if the retired employee within ninety (90)
 2 days after the employee's retirement date files a written request for
 3 insurance coverage with the employer. ~~However,~~ The employer **shall**
 4 **pay the employer's premium for the group health insurance and**
 5 may elect to pay ~~any~~ **all or** part of the retired employee's premium.

6 ~~(g)~~ **(i)** A retired employee's eligibility to continue insurance under
 7 this section ends when the employee becomes eligible for Medicare
 8 coverage as prescribed by 42 U.S.C. 1395 et seq., or when the
 9 employer terminates the health insurance program. A retired employee
 10 who is eligible for insurance coverage under this section may elect to
 11 have the employee's spouse **and dependent children** covered under the
 12 health insurance program at the time the employee retires. If a retired
 13 employee's spouse pays the amount the retired employee would have
 14 been required to pay for coverage selected by the spouse, the spouse's
 15 subsequent eligibility to continue insurance under this section is not
 16 affected by the death of the retired employee. The surviving spouse's
 17 eligibility ends on the earliest of the following:

- 18 (1) When the spouse becomes eligible for Medicare coverage as
- 19 prescribed by 42 U.S.C. 1395 et seq.
- 20 (2) When the employer terminates the health insurance program.
- 21 (3) Two (2) years after the date of the employee's death.
- 22 (4) The date of the spouse's remarriage.

23 **A dependent child's eligibility for insurance coverage under this**
 24 **section ends on the date the child becomes eighteen (18) years of**
 25 **age, the date the child becomes twenty-three (23) years of age (if**
 26 **the child is enrolled in and regularly attending a secondary school**
 27 **or is a full-time student at an accredited college or university), or**
 28 **after the entire period of the child's physical or mental disability,**
 29 **whichever is latest.**

30 ~~(h)~~ **(j)** This subsection does not apply to an employee who is
 31 entitled to group insurance coverage under IC 20-6.1-6-1(c). An
 32 employee who is on leave without pay is entitled to participate for
 33 ninety (90) days in any health insurance program maintained by the
 34 employer for active employees if the employee pays an amount equal
 35 to the total of the employer's and the employee's premiums for the
 36 insurance.

37 ~~(i)~~ **(k)** An employer may provide group health insurance for retired
 38 employees or their spouses **and dependents** not covered by this section
 39 and may provide group health insurance that contains provisions more
 40 favorable to retired employees and their spouses **and dependents** than
 41 required by this section. A public employer may provide group health
 42 insurance to an employee who is on leave without pay for a longer



C
O
P
Y

1 period than required by subsection ~~(h)~~ (j).

C
o
p
y

