

HOUSE BILL No. 1090

DIGEST OF INTRODUCED BILL

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

Synopsis: Medicare supplement for retired state employees. Requires the state to provide a Medicare supplement for each retired employee who: (1) retires after June 30, 1998; (2) is eligible for Medicare coverage; and (3) meets certain employment requirements. Provides that the state may elect to pay any part of the retired employee's premium for the Medicare supplement. Provides that a retired employee who is eligible for the Medicare supplement may elect to have the employee's spouse covered under the Medicare supplement. Provides that the surviving spouse's eligibility for the Medicare supplement ends on the date of the spouse's remarriage.

Effective: July 1, 1998.

Saunders

January 6, 1998, read first time and referred to Committee on Ways and Means.



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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

HOUSE BILL No. 1090

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 by
14 clause (A) or (B);
15 (2) who will have reached fifty-five (55) years of age on or before
16 the employee's retirement date but who will not be eligible on that
17 date for Medicare coverage as prescribed by 42 U.S.C. 1395 et

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- 1 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) The state shall provide a group health insurance program to each
- 10 retired employee:
- 11 (1) who is a retired judge;
- 12 (2) whose retirement date is after June 30, 1990;
- 13 (3) who is at least sixty-two (62) years of age;
- 14 (4) who is not eligible for Medicare coverage as prescribed by 42
- 15 U.S.C. 1395 et seq.; and
- 16 (5) who has at least eight (8) years of service credit as a
- 17 participant in the Indiana judges' retirement fund, with at least
- 18 eight (8) years of that service credit completed immediately
- 19 preceding the judge's retirement.
- 20 (d) The state shall provide a group health insurance program to each
- 21 retired employee:
- 22 (1) who is a retired participant under the prosecuting attorneys
- 23 retirement fund;
- 24 (2) whose retirement date is after January 1, 1990;
- 25 (3) who is at least sixty-two (62) years of age;
- 26 (4) who is not eligible for Medicare coverage as prescribed by 42
- 27 U.S.C. 1395 et seq.; and
- 28 (5) who has at least ten (10) years of service credit as a participant
- 29 in the prosecuting attorneys retirement fund, with at least ten (10)
- 30 years of that service credit completed immediately preceding the
- 31 participant's retirement.
- 32 (e) The state shall make available a group health insurance program
- 33 to each former member of the general assembly or surviving spouse of
- 34 each former member, if the former member:
- 35 (1) is no longer a member of the general assembly;
- 36 (2) is not eligible for Medicare coverage as prescribed by 42
- 37 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the
- 38 surviving spouse is not eligible for Medicare coverage as
- 39 prescribed by 42 U.S.C. 1395, et. seq.; and
- 40 (3) has at least ten (10) years of service credit as a member in the
- 41 general assembly, with at least eight (8) years of that service
- 42 credit completed immediately preceding the member's retirement



- 1 or death.
- 2 A former member or surviving spouse of a former member who obtains
3 insurance under this section is responsible for paying both the
4 employer and the employee share of the cost of the coverage.
- 5 (f) The group health insurance program required under subsections
6 (b) through (e) must be equal to that offered active employees. The
7 retired employee may participate in the group health insurance program
8 if the retired employee pays an amount equal to the employer's and the
9 employee's premium for the group health insurance for an active
10 employee and if the retired employee within ninety (90) days after the
11 employee's retirement date files a written request for insurance
12 coverage with the employer. However, the employer may elect to pay
13 any part of the retired employee's premium.
- 14 (g) **Except as provided in subsection (j)**, a retired employee's
15 eligibility to continue insurance under this section ends when the
16 employee becomes eligible for Medicare coverage as prescribed by 42
17 U.S.C. 1395 et seq., or when the employer terminates the health
18 insurance program. A retired employee who is eligible for insurance
19 coverage under this section may elect to have the employee's spouse
20 covered under the health insurance program at the time the employee
21 retires. If a retired employee's spouse pays the amount the retired
22 employee would have been required to pay for coverage selected by the
23 spouse, the spouse's subsequent eligibility to continue insurance under
24 this section is not affected by the death of the retired employee. **Except**
25 **as provided in subsection (j)**, the surviving spouse's eligibility ends
26 on the earliest of the following:
- 27 (1) When the spouse becomes eligible for Medicare coverage as
28 prescribed by 42 U.S.C. 1395 et seq.
 - 29 (2) When the employer terminates the health insurance program.
 - 30 (3) Two (2) years after the date of the employee's death.
 - 31 (4) The date of the spouse's remarriage.
- 32 (h) This subsection does not apply to an employee who is entitled
33 to group insurance coverage under IC 20-6.1-6-1(c). An employee who
34 is on leave without pay is entitled to participate for ninety (90) days in
35 any health insurance program maintained by the employer for active
36 employees if the employee pays an amount equal to the total of the
37 employer's and the employee's premiums for the insurance.
- 38 (i) An employer may provide group health insurance for retired
39 employees or their spouses not covered by this section and may provide
40 group health insurance that contains provisions more favorable to
41 retired employees and their spouses than required by this section. A
42 public employer may provide group health insurance to an employee



1 who is on leave without pay for a longer period than required by
2 subsection (h).

3 **(j) The state shall provide a Medicare supplement for each**
4 **retired employee who:**

5 **(1) retires after June 30, 1998;**

6 **(2) is eligible for Medicare coverage; and**

7 **(3) meets the employment requirements provided in:**

8 **(A) subsections (b)(3) and (b)(4);**

9 **(B) subsection (c)(5);**

10 **(C) subsection (d)(5); or**

11 **(D) subsection (e)(3).**

12 **The state may elect to pay any part of the retired employee's**
13 **premium for the Medicare supplement. A retired employee who is**
14 **eligible for the Medicare supplement may elect to have the**
15 **employee's spouse covered under the Medicare supplement. If a**
16 **retired employee's spouse pays the amount the retired employee**
17 **would have been required to pay for coverage selected by the**
18 **spouse, the spouse's subsequent eligibility to continue supplemental**
19 **insurance under this section is not affected by the death of the**
20 **retired employee. The surviving spouse's eligibility for the**
21 **Medicare supplement ends on the date of the spouse's remarriage.**

