

# HOUSE BILL No. 1195

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## DIGEST OF INTRODUCED BILL

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

**Synopsis:** Health insurance for retired state employees. Provides that a retired state employee may participate in the group health insurance plan for active employees for two years after retirement by paying the employee's premium. Provides that after the employee has been retired for two years, the retired employee may continue to participate in the group health insurance plan if the employee pays the employer's and the employee's premium.

**Effective:** July 1, 1998.

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**Davis, Crosby**

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January 8, 1998, read first time and referred to Committee on Public Health.

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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. 1195

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

1998

IN 1195—LS 6586/DI 79+



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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

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

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1 employees or their spouses not covered by this section and may provide  
2 group health insurance that contains provisions more favorable to  
3 retired employees and their spouses than required by this section. A  
4 public employer may provide group health insurance to an employee  
5 who is on leave without pay for a longer period than required by  
6 subsection (h).

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