

HOUSE BILL No. 1383

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, 1999; (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, 1999.

Lytle, Saunders

January 12, 1999, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

HOUSE BILL No. 1383

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 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) This section applies only to
3 the state and its employees who are not covered by a plan established
4 under section 6 of this chapter.
5 (b) After June 30, 1986, the state shall provide a group health
6 insurance plan to each retired employee:
7 (1) whose retirement date is:
8 (A) after June 29, 1986, for a retired employee who was a
9 member of the field examiners' retirement fund;
10 (B) after May 31, 1986, for a retired employee who was a
11 member of the Indiana state teachers' retirement fund; or
12 (C) after June 30, 1986, for a retired employee not covered by
13 clause (A) or (B);
14 (2) who will have reached fifty-five (55) years of age on or before
15 the employee's retirement date but who will not be eligible on that
16 date for Medicare coverage as prescribed by 42 U.S.C. 1395 et
17 seq.;

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

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

8 (c) The state shall provide a group health insurance program to each
9 retired employee:

10 (1) who is a retired judge;

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

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

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

15 (5) who has at least eight (8) years of service credit as a
16 participant in the Indiana judges' retirement fund, with at least
17 eight (8) years of that service credit completed immediately
18 preceding the judge's retirement.

19 (d) The state shall provide a group health insurance program to each
20 retired employee:

21 (1) who is a retired participant under the prosecuting attorneys
22 retirement fund;

23 (2) whose retirement date is after January 1, 1990;

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

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

27 (5) who has at least ten (10) years of service credit as a participant
28 in the prosecuting attorneys retirement fund, with at least ten (10)
29 years of that service credit completed immediately preceding the
30 participant's retirement.

31 (e) The state shall make available a group health insurance program
32 to each former member of the general assembly or surviving spouse of
33 each former member, if the former member:

34 (1) is no longer a member of the general assembly;

35 (2) is not eligible for Medicare coverage as prescribed by 42
36 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the
37 surviving spouse is not eligible for Medicare coverage as
38 prescribed by 42 U.S.C. 1395, et. seq.; and

39 (3) has at least ten (10) years of service credit as a member in the
40 general assembly, with at least eight (8) years of that service
41 credit completed immediately preceding the member's retirement
42 or death.

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

4 (f) The group health insurance program required under subsections
5 (b) through (e) must be equal to that offered active employees. The
6 retired employee may participate in the group health insurance program
7 if the retired employee pays an amount equal to the employer's and the
8 employee's premium for the group health insurance for an active
9 employee and if the retired employee within ninety (90) days after the
10 employee's retirement date files a written request for insurance
11 coverage with the employer. However, the employer may elect to pay
12 any part of the retired employee's premium.

13 (g) **Except as provided in subsection (j)**, a retired employee's
14 eligibility to continue insurance under this section ends when the
15 employee becomes eligible for Medicare coverage as prescribed by 42
16 U.S.C. 1395 et seq., or when the employer terminates the health
17 insurance program. A retired employee who is eligible for insurance
18 coverage under this section may elect to have the employee's spouse
19 covered under the health insurance program at the time the employee
20 retires. If a retired employee's spouse pays the amount the retired
21 employee would have been required to pay for coverage selected by the
22 spouse, the spouse's subsequent eligibility to continue insurance under
23 this section is not affected by the death of the retired employee. **Except**
24 **as provided in subsection (j)**, the surviving spouse's eligibility ends
25 on the earliest of the following:

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

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

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

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- 1 subsection (h).
2 (j) The state shall provide a Medicare supplement for each
3 retired employee who:
4 (1) retires after June 30, 1999;
5 (2) is eligible for Medicare coverage; and
6 (3) meets the employment requirements provided in:
7 (A) subsection (b)(3) and (b)(4);
8 (B) subsection (c)(5);
9 (C) subsection (d)(5); or
10 (D) subsection (e)(3).
11 The state may elect to pay any part of the retired employee's
12 premium for the Medicare supplement. A retired employee who is
13 eligible for the Medicare supplement may elect to have the
14 employee's spouse covered under the Medicare supplement. If a
15 retired employee's spouse pays the amount the retired employee
16 would have been required to pay for coverage selected by the
17 spouse, the spouse's subsequent eligibility to continue supplemental
18 insurance under this section is not affected by the death of the
19 retired employee. The surviving spouse's eligibility for the
20 Medicare supplement ends on the date of the spouse's remarriage.

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