

HOUSE BILL No. 2029

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8.

Synopsis: Health insurance for retired state employees. Provides that a state employee who retires after June 30, 2001, may obtain state employee health insurance coverage equal to the coverage offered to active state employees if the retired state employee pays the employee's share of the premium. Provides that eligibility for coverage does not end when the employee is eligible for Medicare. Makes a conforming amendment.

Effective: July 1, 2001.

Kersey

January 17, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

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 2000 General Assembly.

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HOUSE BILL No. 2029



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 5-10-8-6.5, AS ADDED BY P.L.233-1999,
- 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2001]: Sec. 6.5. (a) A member of the general assembly may
- 4 elect to participate in either:
- 5 (1) the plan of self-insurance established by the state police
- 6 department under section 6 of this chapter;
- 7 (2) the plan of self-insurance established by the state personnel
- 8 department under section 7 of this chapter; or
- 9 (3) a prepaid health care delivery plan established under section
- 10 7 of this chapter.
- 11 (b) A former member of the general assembly who meets the criteria
- 12 for participation in a group health insurance program provided under
- 13 section ~~8(e)~~ 8 or 8.1 of this chapter may elect to participate in either:
- 14 (1) the plan of self-insurance established by the state police
- 15 department under section 6 of this chapter; or
- 16 (2) a group health insurance program provided under section ~~8(e)~~
- 17 8 or 8.1 of this chapter.



1 (c) A member of the general assembly or former member of the
 2 general assembly who chooses a plan described in subsection (a)(1) or
 3 (b)(1) shall pay any amount of both the employer and the employee
 4 share of the cost of the coverage that exceeds the cost of the coverage
 5 under the new traditional plan.

6 SECTION 2. IC 5-10-8-8, AS AMENDED BY P.L.233-1999,
 7 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2001]: Sec. 8. (a) This section applies only to the state and its
 9 employees who are not covered by a plan established under section 6
 10 of this chapter.

11 (b) After June 30, 1986, the state shall provide a group health
 12 insurance plan to each retired employee:

13 (1) whose retirement date is:

14 (A) after June 29, 1986, **and before July 1, 2001**, for a retired
 15 employee who was a member of the field examiners'
 16 retirement fund;

17 (B) after May 31, 1986, **and before July 1, 2001**, for a retired
 18 employee who was a member of the Indiana state teachers'
 19 retirement fund; or

20 (C) after June 30, 1986, **and before July 1, 2001**, for a retired
 21 employee not covered by clause (A) or (B);

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

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

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

33 (c) **After June 30, 2001, the state shall provide a group health
 34 insurance plan to each retired employee:**

35 (1) **whose retirement date is:**

36 (A) **after June 30, 2001, for a retired employee who was a
 37 member of the field examiners' retirement fund;**

38 (B) **after June 30, 2001, for a retired employee who was a
 39 member of the Indiana state teachers' retirement fund; or**

40 (C) **after June 30, 2001, for a retired employee not covered
 41 by clause (A) or (B);**

42 (2) **who will become fifty-five (55) years of age on or before**

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1 **the employee's retirement date;**

2 **(3) who will have completed twenty (20) years of creditable**
 3 **employment with a public employer on or before the**
 4 **employee's retirement date, ten (10) years of which must have**
 5 **been 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**
 8 **a member on or before the employee's retirement date.**

9 **(d) 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, **and before July**
 13 **1, 2001;**

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

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

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

21 ~~(d)~~ **(e) The state shall provide a group health insurance program**
 22 **to each retired employee:**

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

24 **(2) whose retirement date is after June 30, 2001;**

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

26 **(4) who has at least eight (8) years of service credit as a**
 27 **participant in the Indiana judges' retirement fund, with at**
 28 **least eight (8) years of that service credit completed**
 29 **immediately preceding the judge's retirement.**

30 **(f) The state shall provide a group health insurance program to each**
 31 retired employee:

32 (1) who is a retired participant under the prosecuting attorneys
 33 retirement fund;

34 (2) whose retirement date is after January 1, 1990, **and before**
 35 **July 1, 2001;**

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

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

39 (5) who has at least ten (10) years of service credit as a participant
 40 in the prosecuting attorneys retirement fund, with at least ten (10)
 41 years of that service credit completed immediately preceding the
 42 participant's retirement.

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1 **(g) The state shall provide a group health insurance program to**
 2 **each retired employee:**

3 **(1) who is a retired participant under the prosecuting**
 4 **attorneys retirement fund;**

5 **(2) whose retirement date is after June 30, 2001;**

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

7 **(4) who has at least ten (10) years of service credit as a**
 8 **participant in the prosecuting attorneys retirement fund, with**
 9 **at least ten (10) years of that service credit completed**
 10 **immediately preceding the participant's retirement.**

11 **(h) The state shall make available a group health insurance**
 12 **program to each former member of the general assembly or surviving**
 13 **spouse of each former member, if the former member:**

14 **(1) is no longer a member of the general assembly before July 1,**
 15 **2001;**

16 **(2) is not eligible for Medicare coverage as prescribed by 42**
 17 **U.S.C. 1395 et seq. or, in the case of a surviving spouse, the**
 18 **surviving spouse is not eligible for Medicare coverage as**
 19 **prescribed by 42 U.S.C. 1395, et. seq.; and**

20 **(3) has at least ten (10) years of service credit as a member in the**
 21 **general assembly.**

22 **A former member or surviving spouse of a former member who obtains**
 23 **insurance under this section subsection is responsible for paying both**
 24 **the employer and the employee share of the cost of the coverage.**

25 **(i) The state shall make available a group health insurance**
 26 **program to each former member of the general assembly or**
 27 **surviving spouse of each former member, if the former member:**

28 **(1) retired from the general assembly after June 30, 2001; and**

29 **(2) has at least ten (10) years of service credit as a member in**
 30 **the general assembly.**

31 **A former member or surviving spouse of a former member who**
 32 **obtains insurance under this subsection is responsible for paying**
 33 **the employee share of the cost of the coverage.**

34 **(j) The group health insurance program required under**
 35 **subsections (b) through (i) must be equal to that offered active**
 36 **employees. The retired employee may participate in the group health**
 37 **insurance program if the retired employee pays an amount equal to the:**

38 **(1) employer's and the employee's premium if the retired**
 39 **employee retired before July 1, 2001; and**

40 **(2) employee's premium if the retired employee retired after**
 41 **June 30, 2001;**

42 **for the group health insurance for an active employee and if the retired**

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1 employee within ninety (90) days after the employee's retirement date
 2 files a written request for insurance coverage with the employer.
 3 However, the employer may elect to pay any part of the retired
 4 employee's premium.

5 ~~(g)~~ **(k)** A retired employee's eligibility to continue insurance under
 6 this section ends when the employee becomes eligible for Medicare
 7 coverage as prescribed by 42 U.S.C. 1395 et seq. **if the employee**
 8 **retired before July 1, 2001**, or when the employer terminates the
 9 health insurance program. A retired employee who is eligible for
 10 insurance coverage under this section may elect to have the employee's
 11 spouse covered under the health insurance program at the time the
 12 employee retires. If a retired employee's spouse pays the amount the
 13 retired employee would have been required to pay for coverage
 14 selected by the spouse, the spouse's subsequent eligibility to continue
 15 insurance under this section is not affected by the death of the retired
 16 employee. The surviving spouse's eligibility ends on the earliest of the
 17 following:

18 (1) When the spouse becomes eligible for Medicare coverage as
 19 prescribed by 42 U.S.C. 1395 et seq. **if the retired employee**
 20 **retired before July 1, 2001**.

21 (2) When the employer terminates the health insurance program.

22 (3) Two (2) years after the date of the employee's death.

23 (4) The date of the spouse's remarriage.

24 ~~(h)~~ **(l)** This subsection does not apply to an employee who is entitled
 25 to group insurance coverage under IC 20-6.1-6-1(c). An employee who
 26 is on leave without pay is entitled to participate for ninety (90) days in
 27 any health insurance program maintained by the employer for active
 28 employees if the employee pays an amount equal to the total of the
 29 employer's and the employee's premiums for the insurance.

30 ~~(i)~~ **(m)** An employer may provide group health insurance for retired
 31 employees or their spouses not covered by this section and may provide
 32 group health insurance that contains provisions more favorable to
 33 retired employees and their spouses than required by this section. A
 34 public employer may provide group health insurance to an employee
 35 who is on leave without pay for a longer period than required by
 36 subsection ~~(h)~~ **(l)**.

37 SECTION 3. IC 5-10-8-8.1, AS AMENDED BY P.L.233-1999,
 38 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2001]: Sec. 8.1. (a) This section applies only to the state and
 40 former legislators, instead of section 8 of this chapter.

41 (b) As used in this section, "legislator" means a member of the
 42 general assembly.

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1 (c) After June 30, 1988, the state shall provide to each retired
2 legislator:

3 (1) whose retirement date is after June 30, 1988, **and before July**
4 **1, 2001;**

5 (2) who is not participating in a group health insurance coverage
6 plan:

7 (A) including Medicare coverage as prescribed by 42 U.S.C.
8 1395 et seq.; but

9 (B) not including a group health insurance plan provided by
10 the state or a health insurance plan provided under IC 27-8-10;

11 (3) who served as a legislator for at least ten (10) years; and

12 (4) who participated in a group health insurance plan provided by
13 the state on the legislator's retirement date;

14 a group health insurance program that is equal to that offered active
15 employees.

16 (d) **After June 30, 2001, the state shall provide to each retired**
17 **legislator:**

18 (1) **whose retirement date is after June 30, 2001;**

19 (2) **who is not participating in a group health insurance**
20 **coverage plan, not including:**

21 (A) **Medicare coverage as prescribed by 42 U.S.C. 1395 et**
22 **seq.; or**

23 (B) **a group health insurance plan provided by the state or**
24 **a health insurance plan provided under IC 27-8-10;**

25 (3) **who served as a legislator for at least ten (10) years; and**

26 (4) **who participated in a group health insurance plan**
27 **provided by the state on the legislator's retirement date;**

28 **a group health insurance program that is equal to that offered**
29 **active employees.**

30 (e) A retired legislator who qualifies under subsection (c) may
31 participate in the group health insurance program if the retired
32 legislator:

33 (1) pays an amount equal to the employer's and employee's
34 premium for the group health insurance for an active employee;
35 and

36 (2) within ninety (90) days after the legislator's retirement date
37 files a written request for insurance coverage with the employer.

38 (f) **A retired legislator who qualifies under subsection (d) may**
39 **participate in the group health insurance program if the retired**
40 **legislator:**

41 (1) **pays an amount equal to the employee's premium for the**
42 **group health insurance for an active employee; and**

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- 1 **(2) within ninety (90) days after the legislator's retirement**
 2 **date files a written request for insurance coverage with the**
 3 **employer.**
- 4 ~~(e)~~ **(g)** A retired legislator's eligibility to continue insurance under
 5 this section ends when the member becomes eligible for Medicare
 6 coverage as prescribed by 42 U.S.C. 1395 et seq. **if the retired**
 7 **legislator retired before July 1, 2001**, or when the employer
 8 terminates the health insurance program.
- 9 ~~(f)~~ **(h)** A retired legislator who is eligible for insurance coverage
 10 under this section may elect to have the legislator's spouse covered
 11 under the health insurance program at the time the legislator retires. If
 12 a retired legislator's spouse pays the amount the retired legislator would
 13 have been required to pay for coverage selected by the spouse, the
 14 spouse's subsequent eligibility to continue insurance under this section
 15 is not affected by the death of the retired legislator and is not affected
 16 by the retired legislator's eligibility for Medicare. The 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. **if the retired legislator**
 20 **retired before July 1, 2001.**
- 21 (2) When the employer terminates the health insurance program.
- 22 (3) The date of the spouse's remarriage.
- 23 ~~(g)~~ **(i)** The surviving spouse of a legislator who dies or has died in
 24 office may elect to participate in the group health insurance program
 25 if all of the following apply:
- 26 (1) The deceased legislator would have been eligible to
 27 participate in the group health insurance program under this
 28 section had the legislator retired on the day of the legislator's
 29 death.
- 30 (2) The surviving spouse files a written request for insurance
 31 coverage with the employer.
- 32 (3) The surviving spouse pays an amount equal to the employer's
 33 and employee's premium for the group health insurance for an
 34 active employee.
- 35 ~~(h)~~ **(j)** The eligibility of the surviving spouse of a legislator to
 36 purchase group health insurance under subsection ~~(g)~~ **(i)** ends on the
 37 earliest of the following:
- 38 (1) When the employer terminates the health insurance program.
- 39 (2) The date of the spouse's remarriage.
- 40 (3) When the spouse becomes eligible for Medicare coverage as
 41 prescribed by 42 U.S.C. 1395 et seq. **if the retired legislator**
 42 **retired before July 1, 2001.**

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