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House BILL NO. 645 1 INTRODUCED BY Brand. Menahan z 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP HEALTH 4 INSURANCE COVERAGE FOR RETIRED PUBLIC EMPLOYEES AND THEIR 5 SURVIVING SPOUSES AND CHILDREN; AMENDING SECTION 11-1024. 6 R.C.M. 1947: AND PROVIDING AN EFFECTIVE DATE." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 Section L. Section 11-1024. R.C.M. 1947. is amended to 10 read as follows: 11 12 13 hureausy--boardsy--compissions--and-adencies-of-the-state-of Hontanay-countyy-cityy-and-town-officers-and-emplayees----14 15 contributions public employees and officers. (1) All 16 departments, bureaus, boards, commissions and agencies of 17 the state of Montana, and all counties, cities and towns 18 shall upon approval by two-thirds (2/3) vote of the officers 19 and employees of each such department, bureau, board, 20 commission, agency, county, city and town, enter into group 21 hospitalization, medical, health including long-term 22 disability, accident and/or group life insurance contracts 23 or plans for the benefit of their officers, employees and 24 their dependentsy-ands 25

INTRODUCED BILL

1 121 the The respective administrative and governing bodies shall pay-for-such insurance ten-dollars-(\$18)-per 2 3 month-for contribute \$10 a month towards the insurance premium of each officer, employee, and legislatory, and 4 S provided-that-for-all For employees as defined in subsection 6 +2+(5) of this section and for members of the legislature, 7 such-payment the employer contribution for insurance may be an amount equal to tweive-fl2; times the monthly rate, but 8 may not exceed one-mundred-twenty-dollars-(\$120) per a year. 9 10 Howevery-for For lemployees of elementary and high school 11 districts and of local government units, the employer's premium contributions may exceed but shall not be less than 12 13 the amount specified in this section. 14 131 An insurance contract of glan issued under this 15 section must contain provisions that: : (a) permit the member of a group who retires from 16 17 active service under the appropriate retirement provisions 18 provided by law to remain a member of the group until he becomes eligible for medicare under the federal Health 19 20 Insurance for the Aged Act, 42 U.S.C. 1395, as amended. **Z**1 unless he is a participant in another group plan with 22 substantially the same or greater benefits at an eduivalent 23 cost or unless he is employed and. by virtue of that employments is eligible to participate in another group plan 24 with substantially the same or greater benefits at an 25

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1	equivalent cost:	

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2 Ibl permit the surviving spouse of a member to remain 3 a member of the group as long as the spouse is eligible for 4 retirement benefits accrued by the deceased member as 5 provided by law unless the spouse is eligible for medicare under the federal Health Insurance for the Aged Act or 6 7 unless the socuse has or is eligible for equivalent R insurance coverage as provided in subsection [3][a]: 9 (c) perait the surviving children of a member to 10 remain members of the group as long as they are eligible for 11 retirement benefits accrued by the deceased member as 12 provided by law unless they have equivalent coverage as 13 provided in subsection (3) far dr are (elidible for insurance coverage by wirtue of the lengtownent of a surviving parent 14 15 or legal guardian. 16 (4) A person electing to remain a member of the group 17 under subsection (3) must pay the full premium for his 18 coverage and for that of his covered dependents. 19 (2)(5) In this section, as it applies to a person 20 employed in the executive or legislative branches of state 21 covernment, "employee" means: Ż2 (a) a permanent full-time employee as defined in 23 section 59-1007.1; (b) a part-time employee as defined in section 24

- 1 hours per week;
- 2 (c) a person employed in a seasonal position as
- 3 defined in section 59-1007.1 who is employed on a regular
- 4 basis at least eight-f8t months of the fiscal year."

-End-

59-1007-1 who is scheduled to work at least twenty (20)

STATE OF MONTANA

REQUEST NO. 352-77

FISCAL NOTE

Form BD-15

In compliance with a written request received <u>February 3</u>, 19 <u>77</u>, there is hereby submitted a Fiscal Note for <u>House Bill 645</u> pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 645 provides group health insurance coverage for retired public employees and their surviving spouses and children.

FISCAL IMPACT:

Language in the act specifies that persons participating must pay the full premium coverage for the continued health insurance group plan; thus, there would be no fiscal impact to the governing units.

Kishando

Approved by Committee on State Administration

LC 1117/01

House BILL NO. 645 1 INTRODUCED BY Brand Membar 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP HEALTH 4 5 INSURANCE COVERAGE FOR RETIRED PUBLIC EMPLOYEES AND THEIR SURVIVING SPOUSES AND CHILDREN; AMENDING SECTION 11-1024+ 6 R.C.M. 1947; AND PROVIDING AN EFFECTIVE DATE." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 Section 1. Section 11-1024, R.C.M. 1947, is amended to 10 read as follows: 11 #11-1024. Group insurance for att---departments. 12 bureousy--boardsy--commissions--and-agencies-of-the-state-of 13 Honteney-country-cityy-and-town-officers-and--employees----14 authority-----approval---of---employees-----limit--on 15 contributions public employees and officers. (1) All 16 departments, bureaus, boards, commissions and agencies of 17 the state of Montana, and all counties, cities and towns 18 shall upon approval by two-thirds (2/3) vote of the officers 19 and employees of each such department, bureau, board, 20 commission, agency, county, city and town, enter into group 21 hospitalization, medical, health including long-term 22 disability, accident and/or group life insurance contracts 23 or plans for the benefit of their officers, employees and 24 25 their dependents-and_

SECOND READING

(2) the Ine respective administrative and governing Ł 2 bodies shall pay--for-such-insurance-ten-dollars-(\$10)-per 3 month-for contribute \$10 a month towards the insurance 4 premium of each officer, employee, and legislatory, and provided-that-for-all For employees as defined in subsection 5 (2)(5) of this section and for members of the legislature. 6 7 such-payment the employer contribution for insurance may be 8 an amount equal to twelve-(12) times the monthly rate, but 9 may not exceed one-hundred-twenty-dollars-(\$120)-per a year. 10 Howevery-for For employees of elementary and high school 11 districts and of local government units, the employer's premium contributions may exceed but shall not be less than 12 13 the amount specified in this section. 14 (3) An insurance contract or plan issued under this 15 section must contain provisions that: 16 (a) permit the member of a group who retires from 17 active service under the appropriate retirement provisions 18 provided by law to remain a member of the group until he becomes eligible for medicare under the federal Health 19 20 Insurance for the Aged Act, 42 U.S.C. 1395, as amended. 21 unless he is a participant in another group plan with 22 substantially the same or greater benefits at an equivalent 23 cost or unless he is employed and by virtue of that 24 employment, is eligible to participate in another group plan 25 with substantially the same or greater benefits at an

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HB1.45

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2 (b) permit the surviving spouse of a member to remain 3 a member of the group as long as the spouse is eligible for 4 retirement benefits accrued by the deceased member as 5 provided by law unless the spouse is eligible for medicare 6 under the federal Health Insurance for the Aged Act or 7 unless the spouse has or is eligible for equivalent 8 insurance coverage as provided in subsection (3)(a); 9 (c) permit the surviving children of a member to remain members of the group as kong as they are eligible for 10 11 retirement benefits accrued by the deceased member as 12 provided by law unless they have equivalent coverage as 13 provided in subsection (3)(a) or are eligible for insurance coverage by virtue of the employment of a surviving parent 14 15 or legal guardian. 16 (4) A person electing to remain a member of the group 17 under subsection (3) must pay the full premium for his 18 coverage and for that of his covered dependents. 19 (2)(15) In this section, as it applies to a person

20 employed in the executive or legislative branches of state 21 government, "employee" means:

22 (a) a permanent full-time employee as defined in 23 section 59-1007.1;

(b) a part-time employee as defined in section
59-1007.1 who is scheduled to work at least twenty (20)

- 1 hours per week;
- 2 (c) a person employed in a seasonal position as
- 3 defined in section 59-1007.1 who is employed on a regular
- 4 basis at least eight-(8) months of the fiscal year."

-End-

1 HOUSE BILL ND. 645 Ł 2 **INTRODUCED BY BRAND, MENAHAN** 2 3 З A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP HEALTH 4 4 INSURANCE COVERAGE FOR RETIRED PUBLIC EMPLOYEES AND THEIR 5 5 SURVIVING SPOUSES AND CHILDREN; AMENDING SECTION 11-1024, 6 6 R.C.M. 1947+-AND-PROVIDING-AN-EFFECTIVE-DATE.* 7 7 8 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 9 Section 1. Section 11-1024, R.C.M. 1947, is amended to 10 10 11 read as follows: 11 #11-1024. Group insurance for all---deportments, 12 12 13 bureausy--boardsy--commissions--and-agencies-of-the-state-of 13 14 Montanay-countyy-cityy-and-town-officers--and--employees----14 authority-----approval---of---employees-----limit--on 15 15 16 contributions public employees and officers. (1) All 16 departments, bureaus, boards, commissions and agencies of 17 17 18 the state of Montana, and all counties, cities and towns 18 shall upon approval by two-thirds (2/3) vote of the officers 19 19 20 and employees of each such department, bureau, board, 20 commission, agency, county, city and town, enter into group 21 21 22 hospitalization, medical, health including long-term 22 disability, accident and/or group life insurance contracts 23 23 or plans for the benefit of their officers, employees and 24 24 25 25 their dependents - and .

(2) the The respective administrative and governing bodies shall pay--for-such-insurance-ten-dollars-(\$10)-per month-for contribute \$10 a month towards the insurance premium of each officer, employee, and legislatory, and provided-that-for-all Ear employees as defined in subsection t2)(5) of this section and for members of the legislature, such--payment the employer contribution for insurance may be an amount equal to twelve-fl2; times the monthly rate, but may not exceed one-hundred-twenty-dollars-(\$120)-per a year. Howevery--for Eor employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but shall not be less than the amount specified in this section. (3) An insurance contract or plan issued AFTER JUNE 30, 1977, under this section must contain provisions that: (a) permit the member of a group who retires from active service under the appropriate retirement provisions provided by law to remain a member of the group until he becomes eligible for medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, as amended. unless he is a participant in another group plan with substantially the same or greater benefits at an equivalent cost or unless he is employed and, by virtue of that employment, is eligible to participate in another group plan with substantially the same or greater benefits at an

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THIRD READING

HB 645

H5 9645/02

1 equivalent_cost:

2 (b) permit the surviving spouse of a member to remain a member of the group as leng as the spouse is eligible for з retirement benefits accrued by the deceased member as 4 5 provided by law unless the spouse is eligible for medicare 6 under the federal Health Insurance for the Aged Act or 7 unless the source has or is eligible for courvalent 8 insurance coverage as provided in subsection (3)(a): 9 (c) permit the surviving children of a member to 10 remain members of the group as long as they are eligible for 11 retirement benefits accrued by the deceased member as 12 provided by law unless they have equivalent coverage as 13 provided in subsection (3)(a) or are eligible for insurance 14 coverage by virtue of the employment of a surviving parent 15 or legal guardian. 16 (4) A person electing to remain a member of the group 17 under subsection (3) must pay the full premium for his 18 coverage and for that of his covered dependents. 19 (2)(15) In this section, as it applies to a person 20 employed in the executive or legislative branches of state 21 government, "employee" means:

22 (a) a permanent full-time employee as defined in 23 section 59-1007.1;

(b) a part-time employee os defined in section
59-1007.1 who is scheduled to work at least twenty (20)

1 hours per week;

2 (c) a person employed in a seasonal position de

3 defined in section 59-1007.1 who is employed on a regular

4 basis at least eight-f8t months of the fiscal year."

-End-

1 (2) the The respective administrative and governing HOUSE SILL NO. 645 Т 2 bodies shall pay--for-such-insurance-ten-dollars-1910)-per INTRODUCED BY BRAND, MENAHAN Ż 3 month-for contribute_\$10_3_month_towards_the_insurance 4 4 premium_of each officer, employee, and legislatory, and A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP HEALTH 4 5 provided-that-for-all For employees as defined in subsection INSURANCE COVERAGE FOR RETIRED PUBLIC EMPLOYEES AND THEIR 5 (2)(2) of this section and for members of the legislature, 6 SURVIVING SPOUSES AND CHILDREN; AMENDING SECTION 11-1024. 6 such--payment the employer contribution for insurance may be 7 R.C.M. 1947+-AND-PROVIDING-AN-EFFECTIVE-DATE." 7 an amount equal to twelve-fl2t times the monthly rate, but R ġ. may not exceed one-hundred-twenty-dollars-f\$1201-per a year. 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: ч 10 Howevery--for for employees of elementary and high school Section 1. Section 11-1024; R.C.M. 1947; is amended to 10 districts and of local government units, the employer's 11 read as follows: 11 premium contributions may exceed but shall not be less than #11-1024. Group insurance for all---departmentsy 12 14 13 the amount specified in this section. bureausy--boardsy--commissions--and-agencies-of-the-state-of 13 (3) An insurance contract or plan issued AFTER JUNE Kontanay-countyy-cityy-and-town-officers--and--employees----14 14 15 30. 1977. under this section must contain provisions that: 15 contributions public employees and officers. (1) All 16 (a) permit the member of a group who retires from 16 active service under the appropriate retirement provisions 17 departments, bureaus, boards, commissions and adencies of 17 the state of Montana, and all counties, cities and towns 18 provided by law to remain a member of the group until he 15 shall upon approval by two-thirds (2/3) vote of the officers 19 becomes eligible for medicare under the federal Health 19 and employees of each such department, bureau, board, 20 Insurance for the Aged Acts 42 U.S.C. 1395. as arended. 20 21 unless he is a participant in another group plan with commission, agency, county, city and town, enter into group 21 hospitalization, medical, health including long-term 22 substantially_the_same_or_greater_benefits_at_an_equivalent 22 disability, accident and/or group life insurance contracts 23 cost or unless be is employed and, by virtue of that 23 or plans for the benefit of their officers, employees and employment, is eligible to participate in another arcup plan 24 24 25 with substantially the same or greater benefits at an their dependentsy-ands 25

-2- H8 645

REFERENCE BILL

He 645

HB 0645/02

1 equivalent_cost:

2	(b) permit the surviving spouse of a member to remain
3	a <u>member of the prove as long as the spouse is eligible for</u>
4	retirement_benefits_accrued_by_the_deceased_member_as
5	provided_by_law unless_the_spouse_is_eligible_for_medicare
6	under the federal Health Insurance for the Aged Act or
7	unlessthe_spouse_bas_or_is_eligible_for_equivalent
8	insurance coverage as provided in subsection (3)(a):
9	<pre>(c)permit_thesurviving_children_ofa_memberto</pre>
10	remain members of the group as long as they are eligible for
11	retirement benefits accrued by the deceased member as
12	provided by law unless they have equivalent coverage as
13	provided in subsection [3](a) or are eligible for insurance
14	coverage by virtue of the employment of a surviving parent
15	or_legal_guardian.
16	(4) A person electing to remain a member of the group
17	<u>under subsection (3) must pay the full premium for bis</u>
18	coverage and for that of his covered dependents.
19	(2)(5) In this section, as it applies to a person
20	employed in the executive or legislative branches of state
21	government, "employee" means:
22	(a) a permanent full-time employee as defined in
23	section 59-1007.1;
24	(b) a part-time employee as defined in section
25	59-1007.1 who is scheduled to work at least twenty (20)

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1 nours per week;

- 2 (c) a person employed in a seasonal position as
- 3 defined in section 59~1007.1 who is employed on a regular
- 4 basis at least eight-for months of the fiscal year."

-End-