

1 House BILL NO. 645
2 INTRODUCED BY Grand Member

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE GROUP HEALTH
5 INSURANCE COVERAGE FOR RETIRED PUBLIC EMPLOYEES AND THEIR
6 SURVIVING SPOUSES AND CHILDREN; AMENDING SECTION 11-1024,
7 R.C.M. 1947; AND PROVIDING AN EFFECTIVE DATE."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 11-1024, R.C.M. 1947, is amended to
11 read as follows:

12 "11-1024. Group insurance for ~~all departments,~~
13 ~~bureaus, boards, commissions and agencies of the state of~~
14 ~~Montana, county, city, and town officers, and employees~~
15 ~~authority approval of employees limit on~~
16 contributions public employees and officers. (1) All
17 departments, bureaus, boards, commissions and agencies of
18 the state of Montana, and all counties, cities and towns
19 shall upon approval by two-thirds ~~(2/3)~~ vote of the officers
20 and employees of each such department, bureau, board,
21 commission, agency, county, city and town, enter into group
22 hospitalization, medical, health including long-term
23 disability, accident and/or group life insurance contracts
24 or plans for the benefit of their officers, employees and
25 their dependents ~~and.~~

1 ~~(2) The~~ respective administrative and governing
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 legislator, and
5 ~~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
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 ~~However for~~ For employees of elementary and high school
11 districts and of local government units, the employer's
12 premium contributions may exceed but shall not be less than
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
19 becomes eligible for medicare under the federal Health
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

1 equivalent cost:

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
 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)(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)

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-

STATE OF MONTANA

REQUEST NO. 352-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 3, 19 77, there is hereby submitted a Fiscal Note for House Bill 645 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.

Richard L. Dwyer
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-3-77

Approved by Committee
on State Administration

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~~(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 legislator, and ~~provided that for all~~ For employees as defined in subsection ~~(2)(5)~~ of this section and for members of the legislature, such ~~payment the employer contribution~~ for insurance may be an amount equal to ~~twelve (12)~~ times the monthly rate, but may not exceed ~~one hundred twenty dollars (\$120) per~~ a year. ~~However, for~~ For 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.

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THIRD READING

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