

MAINE STATE LEGISLATURE

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SECOND SPECIAL SESSION

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1884

H. P. 1342

House of Representatives, January 22, 1968

Reported by Mr. Dennett from Committee on State Government. Printed under Joint Rules No. 18.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-EIGHT

AN ACT Providing Accident and Health Insurance Program for State Employees.

Be it enacted by the People of the State of Maine, as follows :

R. S., T. 5, c. 13, sub-c. II, additional. Chapter 13 of Title 5 of the Revised Statutes is amended by adding a new subchapter II, to read as follows :

SUBCHAPTER II

ACCIDENT AND SICKNESS OR HEALTH INSURANCE PROGRAM

§ 285. Group accident and sickness or health insurance

Group accident and sickness or health insurance shall be available to state employees, subject to the following provisions :

1. Eligibility. Each appointed or elective officer or employee of the State of Maine who is eligible for membership in the Maine State Retirement System or the State Police Retirement System or a member of the judiciary or an employee of the Maine State Credit Union or of the Maine State Employees Association or of Council 74 of the American Federation of State, County and Municipal Employees or the Maine Turnpike Authority, including those employees in any of said categories who on the effective date of this Act have retired and who were covered under plans of insurance which by virtue of this legislation will be terminated and thereafter any such employees in any of said categories who retire and who on the date of their retirement are currently enrolled in this group accident and sickness or health insurance plan shall come within the purview of this section, excepting that it shall not be extended to include members of the Maine State Municipal Association or the Maine Teachers

Association or employees of counties and municipalities and instrumentalities thereof, including quasi-municipal corporations.

2. Coverage. Each state employee to whom this section applies shall be eligible for group accident and sickness or health insurance as provided in Title 24, sections 806 and 2301, including major medical benefits. The provisions of such group insurance policy or policies shall be determined by a board of trustees consisting of 5 members, 2 of whom shall be appointed by the Maine State Employees Association; one of whom shall be a retired state employee selected by a majority vote of the Presidents of the Chapters of the Retired State Employees Association; and 2 state employees who shall be appointed by the Governor with the advice and consent of the Council. The board of trustees shall hold office for 3 years, with initial appointments to be made as follows: One member appointed by the Governor for 3 years and one member appointed by the Governor for 2 years; one member appointed by the Maine State Employees Association for 3 years and one member appointed by the Maine State Employees Association for 2 years; and one member, appointed by the Maine State Retirees, for one year. The master policy for such group insurance shall be held by the Commissioner of Finance and Administration who shall be ex officio a member of the board of trustees. Said group insurance shall be administered by the board of trustees herein provided.

3. Enrollment. Any employee eligible under this section may join within the first 60 days of his employment or during a declared open enrollment period. The filing of necessary applications shall be the responsibility of the employee. Effective dates under this section shall be at the discretion of the board of trustees.

4. Payroll deduction. During any period in which an employee is insured in conformity with this section, there shall be withheld by payroll deduction or deductions an amount equal to his share of the cost of said insurance. The manner in which such deductions shall be made shall be determined by the board of trustees.

5. Purchase of policies. The board of trustees is authorized to purchase, by competitive bidding, from one or more insurance companies or nonprofit organizations, or both, a policy or policies of group accident and sickness or health insurance, including major medical insurance, to provide the benefits specified by this section. With the consent of the policyholder and of the insurer, and at the sole discretion of the board of trustees, existing policies of insurance covering at least 1,000 of the employees defined as eligible by this section may be amended to provide the benefits specified by this section and assigned to the Commissioner of Finance and Administration for the benefit of all those eligible under this section. Such company or companies or nonprofit organizations must be licensed under the laws of the State of Maine. The policy provisions shall be subject to and as provided for by the insurance laws of this State. The board of trustees may have the right to retain such professional consultants as it deems necessary to effect and administer said agreements or contracts.

6. Master policy and certificates. The insurance company or companies or nonprofit organizations, or both, shall furnish the usual master policy and certificates. Each insured employee shall receive a certificate setting forth the

benefits to which he is entitled, to whom payable, to whom claims shall be submitted, and summarizing the provisions of the policy principally affecting the employee.

§ 286. Administration

1. Board of trustees; regulations. The board of trustees shall administer this group insurance program and, except as otherwise provided, is authorized to promulgate and publish such regulations as may be necessary and proper to give effect to the intent, purposes and provisions of this subchapter.

2. Effective date. The insurance provided by this section and section 285 and the withholding for that purpose shall become effective when directed by the board of trustees.