

FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE.

Legislative Document

No. 1258

S.P. 407

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In Senate, April 14, 1987

Reference to the Committee on State and Local Government suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate Presented by Senator BUSTIN of Kennebec. Cosponsored by Senator TUTTLE of York, Representative CARROLL of Gray.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT Relating to the State Health Insurance Program and the Bureau of State Employee Health.

5 Be it enacted by the People of the State of Maine as 6 follows:

7 Sec. 1. 5 MRSA §285, sub-§2, as amended by PL 8 1985, c. 785, Pt. A, §30, is further amended to 9 read:

2. <u>Coverage</u>. Each state employee to whom this section applies shall be eligible for group accident and sickness or health insurance as provided in Title 24-A, sections 2802 to 2812, including major medical benefits. The provisions of such group insurance policy or policies shall be determined, insofar as such provisions are not inconsistent with terms and

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conditions contained in collective bargaining agree-1 2 ments negotiated pursuant to Title 26, chapter 9-B, 3 bv a board of trustees consisting of 5-members,-2-of 4 whom-shall-be-appointed-by-the-employee--organization 5 certified-to-represent-the-majority-of-employees;-one 6 of-whom-shall-be-a-retired-state-employee-selected-by 7 a--majority-vote-of-the-Presidents-of-the-Chapters-of 8 the-Retired-State-Employees-Association;-and-2--state 9 employees-who-shall-be-appointed-by-the-Governor--The 10 board--of--trustees,--as--authorized--by-chapter-379, 11 shall-hold-office-for-3-years,-with-initial--appointments--to-be-made-as-follows:-One-member-appointed-by 12 13 the-Governor-for-3-years-and-one-member-appointed--by 14 the-Governor-for-2-years;-one-member-appointed-by-the 15 Maine-State-Employees-Association-for-3-years-and-one 16 member-appointed-by-the-Maine-State-Employees-Associ-17 ation--for--2-years;-and-one-member;-appointed-by-the Maine-State-Retirees7-for-one-year the members of the 18 State Employee Health Commission as provided in sec-19 958. The master policy for such group insurance 20 tion 21 shall be held by the Commissioner of Administration 22 who--shall--be--ex--officio--a-member-of-the-board-of trustees and shall be administered by the State Em-23 ployee Health Labor-Management Committee. Said-group 24 25 insurance-shall--be--administered--by--the--board--of 26 trustees-herein-provided-

27 Sec. 2. 5 MRSA §286, sub-§1, as amended by PL 28 1985, c. 785, Pt. B, §16, is further amended to 29 read:

30 1. Board of trustees; regulations. The board of trustees shall be responsible for the efficient oper-31 32 ation of this group insurance program and is autho-33 rized to promulgate such regulations as are necessary 34 properly administer the plan, except as otherwise to provided. It may exercise general supervision through 35 an-executive-director the director of the Division of 36 37 Benefits in the Bureau of State Employee Health, who 38 shall be employed pursuant to the Civil Service Law.

39 Sec. 3. 5 MRSA §286, sub-§3, as repealed and re-40 placed by PL 1979, c. 657, is repealed and the fol-41 lowing enacted in its place:

42 <u>3. Funding. The cost of administration by the</u> 43 <u>Division of Benefits in the Bureau of State Employee</u>

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Health and the costs of the trustees shall be funded from an administrative allowance to be negotiated with the health benefit carrier. Indirect costs may not be allocated to the program.

Sec. 4. 5 MRSA §286, sub-§§4 and 5 are enacted to read:

4. Appeals. Appeals shall be to a subcommittee of the trustees consisting of the labor and management chairmen and the retiree representative.

10 <u>5. Duties. The trustees may establish separate</u> 11 interest bearing accounts and take other appropriate 12 and necessary administrative actions to carry out 13 their duties.

14 Sec. 5. 5 MRSA §955, 3rd ¶, as enacted by PL 15 1985, c. 785, Pt. C, §1, is repealed.

16 Sec. 6. 5 MRSA §§957 and 958 are enacted to 17 read:

18 §957. Organization

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The Bureau of State Employee Health shall consist of 3 divisions under the supervision of the director. Division heads shall be appointed by the director, subject to the Civil Service Law and with the approval of the State Employee Health Labor-Management Committee. These divisions are:

25 <u>1. Division of Benefits. The Division of Bene-</u>
26 <u>fits shall be responsible for administration of the</u>
27 <u>Accident and Sickness or Health Insurance Program,</u>
28 <u>sections 285 and 286;</u>

2. Division of Wellness and Health Planning. The Division of Wellness and Health Planning shall be responsible for the study and administration of wellness and health programs upon recommendations of the State Employee Health Labor-Management Committee, section 285, subsection 2; and

35	3.	Div	vision	of	State	Employee	Assist	ance	Pro-
36						Employee			
37	gram s	hall	be re	sponsi	ble for	r administ	ering	the S	State

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1	Employee Assistance Program, Title 22, chapter 254-A.
2	§958. State Employee Health Commission
3	1. Membership. The State Employee Health Com-
4	mission, as established by section 12004, subsection
5	10, shall consist of 8 representatives of labor: One
6	from each bargaining unit recognized under the State
7	Employee Labor Relations Act and a retiree represen-
8	tative; and 8 representatives of management.
9	2. Appointment. The labor representatives shall
10	be appointed by the representative of their respec-
11	tive bargaining units. The retiree representative
12	shall be appointed by the majority vote of the Presi-
13	dents of the Retiree Chapters of the Maine State Em-
14	ployees Association. The management representatives
15	shall be the Director of the Bureau of State Employee
16	Health and 7 others chosen by the director. All mem-
17	bers of the commission shall serve at the pleasure of
18	their appointing authority.
19	3. Duties. The State Employee Health Commission
20	shall serve as trustees of the group accident and
21	sickness or health insurance in this Title, and shall
22	advise the Director of Employee Health and the divi-
23	sion directors on all programs under the charge of
24	the bureau, including, but not limited to, health in-
25	surance issues concerning health and wellness, the
26	State Employee Assistance Program and the use of the
27	State Employee Health Internal Service Fund Account.
28	4. Voting; compensation. All votes of the com-
29	mission shall be one vote cast by labor and one vote
30	cast by management. The votes shall be cast by the
31	labor chairman who shall be chosen by the labor mem-
32	bers and the vote shall represent the majority opin-
33	ion of the labor caucus of the commission; and by the
34	management chairman who shall be the Director of the
35	Bureau of State Employee Health. Members of the com-
36	mission shall not be compensated but shall be granted
37	administrative leave to carry out the purposes of the
38	commissioner.

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STATEMENT OF FACT

The 112th Legislature established the Bureau of State Employee Health and directed it to work with a labor-management group to devise ways to maximize employee involvement in the planning and execution of all employee health programs. This bill implements the initial recommendations of the State Employee Health Labor-Management Committee.

The bill organizes the bureau into 3 divisions: Division of Benefits, Division of Wellness and Health Planning and the Division of State Employee Assistance Program. The State Employee Health Commission, made up of representatives from each bargaining unit and a retiree, and an equal number of management representatives, shall advise the Director of the Bureau of State Employee Health on all programs under the charge of the bureau. The commissioner will replace the trustees of the Accident and Sickness or Health Insurance Program, with certain administrative appeal responsibilities assigned to a subcommittee.

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