

# MAINE STATE LEGISLATURE

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(New Draft of S.P. 293) (L.D. 843)  
FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1637

S.P. 522

In Senate, May 19, 1987

Reported by Senator Berube for the Committee on Aging, Retirement and Veterans and printed under Joint Rule 2. Original Bill sponsored by Senator Bustin of Kennebec. Cosponsored by: Senator Randall of Washington, Senator Matthews of Kennebec, Senator Gould of Greenville.

JOY J. O'BRIEN, Secretary of the Senate

STATE OF MAINE

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

1 AN ACT to Provide an Accident and Sickness or  
2 Health Insurance Program to Retired  
3 Teachers.  
4

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

7 Sec. 1. 5 MRSA c. 421, sub-c. IV, art. 7 is en-  
8 acted to read:

9 ARTICLE 7

10 STATE RETIRED TEACHERS' HEALTH INSURANCE FUND

11 §17411. Establishment

1        The State Retired Teachers' Health Insurance Fund  
2 is established to which shall be credited all money  
3 provided by the State to pay premiums for group acci-  
4 dent insurance and group sickness or health insurance  
5 for persons eligible for these payments under Title  
6 20-A, section 13451.

7        §17412. Payment of premium

8        All premiums for group accident insurance or  
9 group sickness or health insurance paid by the re-  
10 irement system for retired teachers shall be paid  
11 from the State Retired Teachers' Health Insurance  
12 Fund.

13        §17413. Administration of fund

14        1. Estimate. Biennially the board shall esti-  
15 mate the amount of money which is deemed necessary to  
16 be paid into the State Retired Teachers' Health In-  
17 surance Fund during the upcoming biennium to provide  
18 for the payment of retired teachers' health insurance  
19 premiums and the State shall pay that amount to the  
20 State Retired Teachers' Health Insurance Fund for  
21 that purpose.

22        2. Unexpended balance. Any unexpended balance  
23 may not lapse, but shall constitute a continuous car-  
24 rying account.

25        Sec. 2. 20-A c. 505-A is enacted to read:

26                        CHAPTER 505-A

27                        RETIRED TEACHERS' HEALTH INSURANCE

28        §13451. Group accident and sickness or health insur-  
29 ance for retired teachers

30        Group accident and sickness or health insurance  
31 shall be available to retired teachers as defined in  
32 Title 5, section 17001, subsection 42, subject to the  
33 following.

34        1. Eligibility; retired teacher members. Any  
35 retired teacher who receives a retirement benefit  
36 from the Maine State Retirement System shall be eli-

1 gible for group accident and sickness or health in-  
 2 surance, provided that the retired teacher also  
 3 meets the eligibility requirements for participation  
 4 imposed by the group plan that governed the teacher  
 5 last as an active teacher and participated in the  
 6 plan for one year immediately prior to retirement or  
 7 October 1, 1987, whichever comes last. Retired  
 8 teachers may not be required to maintain a dues pay-  
 9 ing membership in any organization as a requirement  
 10 for participation in a group health insurance plan  
 11 under this subsection.

12 2. Master policy certificates. The insurance  
 13 company or companies or nonprofit organizations, or  
 14 both, shall furnish the usual master policy and cer-  
 15 tificates. The original master policy and certifi-  
 16 cate shall be held by the organization offering the  
 17 insurance plan and the Commissioner of Administration  
 18 shall hold a certified copy. Each insured retired  
 19 teacher-member shall receive a certificate setting  
 20 forth the benefits to which entitled, to whom pay-  
 21 able, to whom claims shall be submitted and summariz-  
 22 ing the provisions of the policy principally affect-  
 23 ing the retired teacher-member.

24 3. Payment by State. The State through the  
 25 Maine State Retirement System shall pay 10% of only  
 26 the retired teacher members' share of this insurance.

27 Sec. 3. Appropriation. The following funds are  
 28 appropriated form the General Fund to carry out the  
 29 purposes of this Act.

30		<u>1987-88</u>	<u>1988-89</u>
31	<u>EDUCATIONAL AND CULTURAL</u>		
32	<u>SERVICES, DEPARTMENT OF</u>		
33	All Other	\$247,823	\$330,430
34	These funds are for pres-		
35	ently enrolled teachers to		
36	be applied towards teacher		
37	retirement.		

1 STATEMENT OF FACT

2 This new draft provides for the State to pay 10%  
3 of the group accident and sickness or health insur-  
4 ance on behalf of eligible retired teachers. The  
5 State presently provides, without cost, group acci-  
6 dent and sickness or health insurance on behalf of  
7 retired state employees. Teachers are considered to  
8 be state employees for retirement purposes. The eli-  
9 gibility requirements for participation in the group  
10 accident and sickness or health plan by retired  
11 teachers shall be the same requirements as those gov-  
12 erning the teacher as an active teacher.

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