

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 61, L.D. 86, Bill, "An Act to Clarify Eligibility for State Employee Health Insurance Program Benefits"

Amend the bill by striking out all of section 1 and inserting in its place the following:

'Sec. 1. Eligibility for state group health plan coverage if terminated before retirement. State employees eligible to participate in the state group health plan under the Maine Revised Statutes, Title 5, section 285, subsection 1, paragraph A who are not eligible for continued health plan coverage after retirement under Title 5, section 285, subsection 1, paragraph G and subsection 1-A, paragraph B because they were laid off prior to retirement are eligible for continued health plan coverage under the following conditions:

1. The effective date of the layoff was between July 1, 1995 and December 31, 1996;

2. The effective date of the layoff was within 12 months of the employee's normal retirement age;

3. The employee retires on the date normal retirement age is reached; and

4. The employee pays the premium costs for coverage under this section between the effective date of the layoff and the attainment of normal retirement age.'

Further amend the bill by inserting at the end before the summary the following:

COMMITTEE AMENDMENT

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FISCAL NOTE

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The Department of Administrative and Financial Services will incur some minor additional administrative costs related to continued health insurance coverage for certain former state employees. These costs can be absorbed within the department's existing budgeted resources.'

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SUMMARY

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This amendment replaces the bill and accomplishes the purpose of the bill in a different manner. Under current law, state employees who retire with at least one year of continuous service immediately before retirement are eligible for health insurance coverage under the state group health plan. Like the original bill, the amendment provides for continued health insurance coverage under the state group plan for certain employees who are laid off shortly before retirement. The amendment applies to a very small number of state employees laid off as a result of the recommendations of the Productivity Realization Task Force. The amendment requires that for continued insurance coverage to be available:

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1. The layoff must have occurred between July 1, 1995 and December 31, 1996;

2. The layoff must have occurred within one year of the employee's normal retirement age. The new coverage will not be available to employees who retire significantly before normal retirement age;

3. Following layoff, the employee retires at normal retirement age; and

4. The employee pays the costs of the insurance coverage from the date of layoff to normal retirement age.