

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1277

S.P. 408

In Senate, March 11, 2003

**An Act To Allow a Retiree Eligible for State-paid Health Insurance
Coverage To Decline Coverage and Reenroll at a Later Date**

Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator WESTON of Waldo.
Cosponsored by Representative HUTTON of Bowdoinham and
Senator: YOUNGBLOOD of Penobscot, Representatives: CURLEY of Scarborough, LEWIN
of Eliot, SHIELDS of Auburn.

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

4 **Sec. 1. 5 MRSA §285, sub-§3-C** is enacted to read:

6 3-C. Retirees may decline coverage and reenroll. A retiree
8 eligible for a group health plan under subsection 1, paragraph G
10 may elect to decline coverage under the plan and may reenroll in
12 the plan at a later date pursuant to the provisions of this
14 subsection.

16 A. The retiree must demonstrate that the retiree was
18 covered under this plan or another health insurance plan for
20 at least 18 months immediately prior to reenrollment or that
22 health insurance coverage for that person pursuant to the
24 Consolidated Omnibus Budget Reconciliation Act of 1985 under
26 a prior plan has been exhausted.

28 B. Any conditions on eligibility or coverage under
30 subsection 1-A, paragraph D or E continue to apply at the
32 time of reenrollment.

34 C. The retiree may reenroll in the same contract type in
36 which the retiree was enrolled at the time the retiree
38 declined coverage, except for any change in contract type
40 allowed under subsection 3-B.

42 D. An election under this subsection may be made only once.

44 This subsection does not apply to persons who are reemployed by
46 the State following retirement as provided in Public Law 2001,
48 chapter 442.

50 **Sec. 2. Application.** This Act applies to persons who elect to
52 decline coverage on or after the effective date of this Act.

54 SUMMARY

56 This bill allows a retiree who is eligible for health
58 insurance at the time of retirement to decline coverage for some
60 period of time and then reenroll in the program at a later date
62 without penalty. Any limitation on coverage of preexisting
64 conditions would continue to apply. This bill may allow the
66 State to save costs if a retiree otherwise eligible for
68 state-paid insurance can obtain insurance from another source for
70 a period of time.