

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2006

Legislative Document

No. 2092

H.P. 1484

House of Representatives, March 27, 2006

An Act To Allow a Second Opportunity To Elect Coverage under the State Group Health Plan

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative JACKSON of Allagash.
Cosponsored by Senator MARTIN of Aroostook and
Representative: FARRINGTON of Gorham.

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

2 **Sec. 1. 5 MRS §285, sub-§1, ¶G**, as amended by PL 2001, c. 439, Pt. XX, §2, is
3 further amended to read:

4 G. Subject to subsection 1-A, employees in any of the categories denominated in
5 paragraphs A to F-1 and paragraph F-3 who:

6 (1) On April 26, 1968, have retired and who were covered under group health
7 plans that by virtue of Public Law 1967, chapter 543 were terminated;

8 (2) After April 26, 1968, retire and who on the date of their retirement are
9 currently enrolled in this group health plan as employees;

10 (3) After December 2, 1986, and after reaching normal retirement age, cease to
11 be members of the Legislature and are recipients of retirement allowances from
12 the Maine State Retirement System based upon creditable service as teachers, as
13 defined by section 17001, subsection 42. This paragraph also applies to former
14 members who were members on December 2, 1986;

15 (4) After December 2, 1986, and not yet normal retirement age, cease to be
16 members of the Legislature and are recipients of retirement allowances from the
17 Maine State Retirement System based upon creditable service as teachers, as
18 defined by section 17001, subsection 42. This paragraph also applies to former
19 members who were members on December 2, 1986; or

20 (5) After January 1, 1999, terminate employment under which they were
21 eligible for the group health plan but do not retire at that time and who satisfy the
22 requirements of subsection 1-A, paragraph D ~~or~~, paragraph E or paragraph F;

23 **Sec. 2. 5 MRSA §285, sub-§1-A, ¶D**, as enacted by PL 1997, c. 652, §2 and
24 affected by §4, is amended to read:

25 D. If terminating employment but not retiring at that time, have 25 years of
26 creditable service under chapter 423, subchapter ~~IV~~ 4 and remain a member of the
27 Maine State Retirement System, make a one-time election to continue coverage from
28 the date of termination until retirement and pay the cost of the coverage plus the cost
29 incurred by the Division of State Employee Health Insurance in administering
30 coverage under the plan. If a terminated employee who elects coverage under this
31 paragraph fails to pay the cost of coverage and any administrative costs in the amount
32 and manner determined by the division, the coverage may be cancelled in accordance
33 with the requirements of Title 24 and Title 24-A. Regardless of election of coverage
34 or cancellation of coverage under this paragraph, an employee terminating
35 employment as provided in this paragraph may elect coverage upon retirement under
36 paragraph E; ~~or~~

37 **Sec. 3. 5 MRSA §285, sub-§1-A, ¶E**, as enacted by PL 1997, c. 652, §2 and
38 affected by §4, is amended to read:

39 E. If Except as provided in paragraph F, if retiring and not in service immediately
40 prior to retirement, have at least 25 years of creditable service under chapter 423,
41 subchapter ~~IV~~ 4 and make a one-time election at retirement to rejoin the plan.

1 Coverage of preexisting conditions upon rejoining the plan under this paragraph is
2 governed by Title 24-A, chapter 36. The payment provisions of subsection 7 apply to
3 retirees exercising the option under this paragraph; or

4 **Sec. 4. 5 MRSA §285, sub-§1-A, ¶F** is enacted to read:

5 F. If retiring after having previously terminated employment because that person's
6 position as an employee of a school was eliminated due to the closure of that school,
7 and either:

8 (1) Make an election at retirement to rejoin the plan; or

9 (2) Make an election after retirement to rejoin the plan, which election may be
10 exercised only once and at any time after retirement.

11 Coverage of preexisting conditions upon rejoining the plan under this paragraph is
12 governed by Title 24-A, chapter 36. The payment provisions of subsection 7 apply to
13 retirees exercising the option under this paragraph.

14 **SUMMARY**

15 Under current law, a person retiring who has at least 25 years of creditable service
16 with the State may make a one-time election to rejoin the group health plan available to
17 state employees and other eligible persons. This bill allows a person who previously
18 terminated employment because that person's position as an employee of a school was
19 eliminated due to the closure of that school to have a 2nd opportunity after retirement to
20 elect to rejoin the plan.