

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 417

H.P. 305

House of Representatives, February 10, 2009

An Act To Require State Employees To Pay 15% of Their Health Insurance Costs

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative WEAVER of York.
Cosponsored by Senator NASS of York and
Representatives: EDGECOMB of Caribou, FLETCHER of Winslow, McKANE of Newcastle,
MILLETT of Waterford, ROBINSON of Raymond, TARDY of Newport, Senators:
COURTNEY of York, TRAHAN of Lincoln.

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

2 **Sec. 1. 5 MRSA §285, sub-§7**, as amended by PL 2001, c. 439, Pt. XX, §5 and
3 PL 2003, c. 20, Pt. OO, §2 and affected by §4, is further amended to read:

4 **7. Payment by State.** Except as otherwise provided in this subsection, the State,
5 through the commission, shall pay ~~100% of only~~ the employee's share of the individual
6 premium for the standard plan identified and offered by the commission ~~and available to~~
7 ~~the employee as authorized by the commission, except for~~ as follows: effective October
8 1, 2009, 95% of the premium; effective July 1, 2010, 90% of the premium; and effective
9 July 1, 2011, 85% of the premium. For Legislators, ~~for whom~~ the State shall pay 50% of
10 the health plan premium for dependent coverage. For any person appointed to a position
11 after November 1, 1981 who is employed less than full time, the State shall pay a share of
12 the employee's share reduced pro rata to reflect the reduced number of work hours. The
13 State may not pay any portion of the health plan premium for a blind person eligible for
14 the group health plan under subsection 1, paragraph H or for a licensed foster parent
15 eligible for the group health plan under subsection 1, paragraph I.

16 For persons who were first employed before July 1, 1991, the State shall pay 100% of
17 only the retiree's share of the premiums for the standard plan identified and offered by the
18 commission and available to the retiree, as authorized by the commission for persons who
19 were previously eligible for this health plan pursuant to subsection 1, paragraph A and
20 who have subsequently become eligible pursuant to subsection 1, paragraph G.

21 For persons who were first employed by the State after July 1, 1991, the State shall pay a
22 pro rata share portion of only the retiree's share of the premiums for the standard plan
23 identified and offered by the commission and available to the retiree, as authorized by the
24 commission for persons who were previously eligible for this health plan pursuant to
25 subsection 1, paragraph A and who have subsequently become eligible pursuant to
26 subsection 1, paragraph G based on the total number of years of participation in the group
27 health plan prior to retirement as follows:

Years of Participation	State Portion
10 or more years	100% group health plan premium
9 but less than 10 years	90% group health plan premium
8 but less than 9 years	80% group health plan premium
7 but less than 8 years	70% group health plan premium
6 but less than 7 years	60% group health plan premium
5 but less than 6 years	50% group health plan premium
Less than 5 years	No contribution

36 Pursuant to Title 20-A, section 12722, subsection 5, this subsection applies to participants
37 in the defined contribution plan offered by the Maine Community College System Board
38 of Trustees under Title 20-A, section 12722.

39 **Sec. 2. Calculation and transfer; health insurance premium contribution**
40 **savings.** Notwithstanding any other provision of law, the State Budget Officer shall
41 calculate the amount of savings in section 1 that applies against each General Fund
42 account for all departments and agencies from savings in the state share of the employee

1 premium contribution and shall transfer the amounts by financial order upon the approval
2 of the Governor. These transfers are considered adjustments to appropriations in fiscal
3 year 2009-10. The State Budget Officer shall provide the Joint Standing Committee on
4 Appropriations and Financial Affairs a report of the transferred amounts no later than
5 February 1, 2010.

6

SUMMARY

7 This bill reduces the state share of the individual premium for state employees from
8 100% to 95% effective October 1, 2009, 90% effective July 1, 2010 and 85% effective
9 July 1, 2011.