

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 1311

H.P. 967

House of Representatives, March 30, 2021

An Act Regarding the State Employee Health Commission

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative EVANS of Dover-Foxcroft.
Cosponsored by Representatives: ARFORD of Brunswick, BROOKS of Lewiston,
DOUDERA of Camden, LIBBY of Auburn, MATHIESON of Kittery.

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

2 **Sec. 1. 5 MRSA §285, sub-§1-A, ¶D**, as enacted by PL 1997, c. 652, §2 and
3 affected by §4 and amended by PL 2007, c. 58, §3, is further amended to read:

4 D. If terminating employment but not retiring at that time, have 25 years of creditable
5 service under chapter 423, subchapter ~~IV~~ 4 and remain a member of the Maine Public
6 Employees Retirement System, make a one-time election to continue coverage from
7 the date of termination until retirement and pay the cost of the coverage plus the cost
8 incurred by the ~~Division~~ Office of State Employee Health Insurance and Wellness in
9 administering coverage under the plan. If a terminated employee who elects coverage
10 under this paragraph fails to pay the cost of coverage and any administrative costs in
11 the amount and manner determined by the ~~division office~~, the coverage may be
12 cancelled in accordance with the requirements of Title 24 and Title 24-A. Regardless
13 of election of coverage or cancellation of coverage under this paragraph, an employee
14 terminating employment as provided in this paragraph may elect coverage upon
15 retirement under paragraph E; or

16 **Sec. 2. 5 MRSA §285-A, sub-§1**, as amended by PL 1991, c. 780, Pt. Y, §25, is
17 further amended to read:

18 **1. Establishment.** The State Employee Health Commission is established to serve as
19 trustee of the group health plan in this subchapter and to ~~advise~~ provide counsel to the
20 Executive Director of Employee Health Insurance and Wellness and the Director of the
21 Bureau of Human Resources on health and dental insurance issues, the state living
22 resources program and the Director of the Bureau of Human Resources on other issues
23 concerning employee health and wellness and the State Employee Assistance Program.

24 **Sec. 3. 5 MRSA §285-A, sub-§2, ¶F**, as amended by PL 1995, c. 97, §1, is further
25 amended to read:

26 F. The Executive Director of Employee Health Insurance and Wellness, ex officio;

27 **Sec. 4. 5 MRSA §285-A, sub-§3**, as amended by PL 1991, c. 780, Pt. Y, §25, is
28 further amended to read:

29 **3. Voting.** All votes of the commission must be one vote cast by labor and one vote
30 cast by management. The votes must be cast by the labor cochair who must be chosen by
31 the labor members, and the vote must represent the majority opinion of the labor members
32 of the commission, and by the management cochair who is the Director of the Bureau of
33 Human Resources or the director's designee. Votes of the commission must be unanimous
34 for action to be taken.

35 **Sec. 5. 5 MRSA §286, first ¶**, as amended by PL 1991, c. 780, Pt. Y, §26, is further
36 amended to read:

37 The Commissioner of Administrative and Financial Services has responsibility for the
38 state employee health insurance program through the ~~Division~~ Office of State Employee
39 Health Insurance and Wellness that is established as part of the organization of the Bureau
40 of Human Resources. The ~~division office~~ is headed by the Executive Director of Employee
41 Health Insurance and Wellness. The executive director has responsibility for the daily
42 operation of this program and for the development and maintenance of programs that
43 promote the health and safety of the state employees. Program services must be

1 administered through offices, systems, consultants and staff necessary to provide cost-
2 effective, accessible and responsive services to eligible employees and retirees.
3 Administration of the program must be consistent with ~~rules adopted~~ actions taken and
4 counsel provided by the State Employee Health Commission. The executive director and
5 the staff of the state employee health insurance program are appointed in accordance with
6 the Civil Service Law.

7 **Sec. 6. 5 MRSA §286, 6th ¶**, as amended by PL 1991, c. 780, Pt. Y, §27, is further
8 amended to read:

9 A reserve fund, administered by the Executive Director of Employee Health Insurance
10 and Wellness and the Director of the Bureau of Human Resources with approval of the
11 Commissioner of Administrative and Financial Services, is created to protect the program
12 from unexpected losses and self-insured losses and related expenses incurred in the
13 provision of health and dental benefits for the eligible participants. The fund is a continuing
14 fund and may not lapse. The Treasurer of State shall invest the fund. All proceeds of these
15 investments accrue to the fund.

16 **Sec. 7. 5 MRSA §286-M, sub-§2, ¶C**, as enacted by PL 2005, c. 636, Pt. A, §3, is
17 amended to read:

18 C. "Division" means the Department of Administrative and Financial Services,
19 Division Office of State Employee Health Insurance and Wellness.

20 **Sec. 8. 20-A MRSA §13451, sub-§3**, as amended by PL 2013, c. 368, Pt. H, §3, is
21 further amended by amending the last blocked paragraph to read:

22 For the fiscal years ending June 30, 2012, June 30, 2013, June 30, 2014 and June 30, 2015,
23 the State's total cost for retired teachers' health insurance premiums is budgeted at the fiscal
24 year 2010-11 funding level adjusted for projected membership growth. The increase in the
25 State's total cost for retired teachers' health insurance premiums for fiscal years ending after
26 June 30, 2015 is budgeted at no more than any percentage increase in the Consumer Price
27 Index as defined in Title 5, section 17001, subsection 9 plus 3%. A provider of a health
28 insurance benefit plan for retired teachers must make available data related to the provider's
29 premium costs and any related data as requested by the Executive Director of Employee
30 Health Insurance and Wellness within the Department of Administrative and Financial
31 Services.

32 SUMMARY

33 This bill makes the following changes to the laws governing the State Employee Health
34 Commission and the state employee health insurance program.

35 1. It changes the name of the Department of Administrative and Financial Services,
36 Division of State Employee Health Insurance to the Office of Employee Health and
37 Wellness and changes the name of the office head from the Executive Director of Health
38 Insurance to the Executive Director of Employee Health and Wellness.

39 2. It states that the duties of the State Employee Health Commission include providing
40 counsel to the Executive Director of Employee Health and Wellness and the Director of
41 the Bureau of Human Resources on dental insurance and the state living resources program.

1 3. It provides that votes of the State Employee Health Commission must be unanimous
2 for action to be taken.

3 4. It provides that administration of the state employee health insurance program must
4 be consistent with actions taken and counsel provided by the State Employee Health
5 Commission.