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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO PUBLIC OFFICERS AND EMPLOYEES -- INSURANCE BENEFITS

Introduced By: Representatives Jacquard, and Palangio

Date Introduced: February 27, 2014

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 36-12-1 of the General Laws in Chapter 36-12 entitled "Insurance  
2 Benefits" is hereby amended to read as follows:

3 **36-12-1. Definitions.** -- The following words, as used in sections 36-12-1 -- 36-12-14,  
4 shall have the following meanings:

5 (1) "Employer", means the state of Rhode Island.

6 (2) "Employee", means all persons who are classified employees as the term "classified  
7 employee" is defined under section 36-3-3, and all persons in the unclassified and non-classified  
8 service of the state, including adjunct faculty members at any state community college, state  
9 college, or state university who shall teach at least fifty percent (50%) of the faculty load worked  
10 by regular full-time faculty in an academic semester; provided, however, that the following shall  
11 not be included as "employees" under sections 36-12-1 -- 36-12-14:

12 (i) Part-time personnel whose work week is less than twenty (20) hours a week and  
13 limited period and seasonal personnel;

14 (ii) Members of the general assembly, its clerks, doorkeepers, and pages.

15 (3) "Dependents" means an employee's spouse, domestic partner and unmarried children  
16 under nineteen (19) years of age. Domestic partners shall certify by affidavit to the benefits  
17 director of the division of personnel that the (i) partners are at least eighteen (18) years of age and  
18 are mentally competent to contract, (ii) partners are not married to anyone, (iii) partners are not  
19 related by blood to a degree which would prohibit marriage in the state of Rhode Island, (iv)

1 partners reside together and have resided together for at least one year, (v) partners are financially  
2 interdependent as evidenced by at least two (2) of the following: (A) domestic partnership  
3 agreement or relationship contract; (B) joint mortgage or joint ownership of primary residence,  
4 (C) two (2) of: (I) joint ownership of motor vehicle; (II) joint checking account; (III) joint credit  
5 account; (IV) joint lease; and/or (D) the domestic partner has been designated as a beneficiary for  
6 the employee's will, retirement contract or life insurance. Misrepresentation of information in the  
7 affidavit will result in an obligation to repay the benefits received, and a civil fine not to exceed  
8 one thousand dollars (\$1000) enforceable by the attorney general and payable to the general fund.  
9 The employee will notify the benefits director of the division of personnel by completion of a  
10 form prescribed by the benefits director when the domestic partnership ends.

11 (4) "Retired employee", means all persons retired from the active service of the state,  
12 who, immediately prior to retirement, were employees of the state as determined by the  
13 retirement board under section 36-8-1, and also all retired teachers who have elected to come  
14 under the employees' retirement system of the state of Rhode Island.

15 (5) "State retiree", means all persons retired from the active service of the state who,  
16 immediately prior to retirement, were employees of the state as determined by the retirement  
17 board under section 36-8-1.

18 (6) "Teacher retiree", means all retired teachers who have elected to come under the  
19 employees' retirement system of the state of Rhode Island.

20 (7) "Long-term health care insurance", means any insurance policy or rider advertised,  
21 marketed, offered, or designed to provide coverage for not less than twelve (12) consecutive  
22 months for each covered person on an expense incurred, indemnity, prepaid, or other basis for  
23 one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative,  
24 maintenance, or personal care services, provided in a setting other than an acute care unit of a  
25 hospital. The term includes: group and individual policies or riders whether issued by insurers,  
26 fraternal benefit societies, nonprofit health, hospital, and medical service corporations; prepaid  
27 health plans, health maintenance organizations; or any similar organization. Long-term health  
28 care insurance shall not include: any insurance policy which is offered primarily to provide basic  
29 medicare supplement coverage; basic hospital expense coverage; basic medical-surgical expense  
30 coverage; hospital confinement indemnity coverage; major medical expense coverage; disability  
31 income protection coverage; accident only coverage; specified disease or specified accident  
32 coverage; or limited benefit health coverage. This list of excluded coverages is illustrative and is  
33 not intended to be all inclusive.

34 (8) "Non-Medicare-eligible retiree health care insurance", means the health benefit

1 employees who retire from active service of the state (subsequent to July 1, 1989), who  
2 immediately prior to retirement were employees of the state as determined by the retirement  
3 board pursuant to section 36-8-1, shall be entitled to receive until attaining Medicare eligibility.  
4 This health care insurance shall be equal to semi-private hospital care, surgical/medical care and  
5 major medical with a one hundred seventy-five dollar (\$175) calendar year deductible. The  
6 aforementioned program will be provided on a shared basis in accordance with section 36-12-4.

7 (9) "Medicare-eligible retiree health care insurance", means the health benefit employees  
8 who retire from active service of the state (subsequent to July 1, 1989), who immediately prior to  
9 retirement were employees of the state as determined by the retirement board pursuant to section  
10 36-8-1, shall have access to when eligible for Medicare. This health care insurance shall include  
11 plans providing hospital care, surgical/medical services, rights and benefits which, when taken  
12 together with their federal Medicare program benefits, 42 U.S.C. section 1305 et seq., shall be  
13 comparable to those provided for retirees prior to the attainment of Medicare eligibility.

14 (10) "Health reimbursement arrangement", or "HRA" means an account that:

15 (i) Is paid for and funded solely by state contributions;

16 (ii) Reimburses a Medicare-eligible state retiree for medical care expenses as defined in  
17 section 213(d) of the Internal Revenue Code of 1986, as amended, which includes  
18 reimbursements for health care insurance premiums;

19 (iii) Provides reimbursements up to a maximum dollar amount for a coverage period; and

20 (iv) Provides that any unused portion of the maximum dollar amount at the end of a  
21 coverage period is carried forward to increase the maximum reimbursement amount in  
22 subsequent coverage periods.

23 SECTION 2. Section 36-12-2 of the General Laws in Chapter 36-12 entitled "Insurance  
24 Benefits" is hereby amended to read as follows:

25 **36-12-2. Hospital care and surgical-medical service benefits.** -- (a) Employees of the  
26 state of Rhode Island shall receive, in addition to wages, salaries, and any other remuneration or  
27 benefits, hospital care and surgical-medical services, rights, and benefits purchased by the  
28 director of administration pursuant to section 36-12-6, with the specific condition that the benefits  
29 and services provided by the carrier(s) will be substantially equivalent to those set forth in any  
30 collective bargaining agreement(s) executed between the state of Rhode Island and authorized  
31 representatives of the unions representing state employees or the health care coverage presently  
32 being provided. [Adjunct faculty members at any state community college, state college, or state](#)  
33 [university, who teach at least fifty percent \(50%\) of the faculty load hours worked by regular full-](#)  
34 [time faculty in any academic semester, shall be eligible for benefits as provided for in this](#)

1 [section.](#)

2 (b) The state will work diligently with leadership of organized labor in order to ensure  
3 competitive, cost effective health care services for all employees of the state who may be eligible  
4 for those benefits.

5 (c) Any new plan must accept pre-existing conditions for those individuals who will be  
6 covered by the new policy.

7 (d) Part-time employees whose work week is less than twenty (20) hours a week,  
8 [including adjunct faculty members at any state community college, state college, or state](#)  
9 [university who teaches less than fifty percent \(50%\) of the faculty load hours worked by regular](#)  
10 [full-time faculty in any academic semester,](#) may purchase the benefits set forth above. The  
11 employees shall pay the same rate for the benefits as the group rate paid by the state for the  
12 benefits. Payments for the benefits may be deducted in accordance with the provisions of section  
13 36-12-3.

14 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO PUBLIC OFFICERS AND EMPLOYEES -- INSURANCE BENEFITS

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1           This act would provide that adjunct faculty members at any state college or university  
2 who teach at least fifty percent (50%) of the hours regularly worked by full-time faculty in an  
3 academic semester would be eligible for the same state hospital care and surgical-medical service  
4 benefit as other state employees.

5           This act would take effect upon passage.

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