

2022 -- H 7629

LC004950

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO PUBLIC OFFICERS AND EMPLOYEES -- INSURANCE BENEFITS

Introduced By: Representatives Craven, Vella-Wilkinson, and Caldwell

Date Introduced: March 02, 2022

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 36-12-4 of the General Laws in Chapter 36-12 entitled "Insurance
2 Benefits" is hereby amended to read as follows:

3 **36-12-4. Coverage of Non-Medicare-eligible retired employees.**

4 (a) Non-Medicare-eligible retired employees who retired on or before September 30, 2008.
5 Any retired employee who retired on or before September 30, 2008 shall be entitled, until attaining
6 Medicare eligibility, to be covered under §§ 36-12-1 -- 36-12-5 for himself and herself and, if he
7 or she so desires, his or her non-Medicare-eligible dependents, upon agreeing to pay the total cost
8 of his or her contract at the group rate for active state employees. Payments of any non-Medicare-
9 eligible retired employee for coverage shall be deducted from his or her retirement allowance and
10 remitted from time to time in payment for such contract. In addition, any retired employee who
11 retired on or before September 30, 2008 shall be permitted to purchase coverage for his or her non-
12 Medicare-eligible dependents upon agreeing to pay the additional cost of the contract at the group
13 rate for active state employees. Payment for coverage for these dependents shall be deducted from
14 his or her retirement allowances and remitted as required in payment for the contract.

15 (b) Non-Medicare-eligible state retirees who retired subsequent to July 1, 1989, and on or
16 before September 30, 2008. Non-Medicare-eligible state retirees who retired subsequent to July 1,
17 1989, and on or before September 30, 2008, from active service of the state, and who were
18 employees of the state as determined by the retirement board under section 36-8-1, shall be entitled
19 to receive for himself or herself non-Medicare-eligible a retiree health care insurance benefit as

1 described in section 36-12-1 in accordance with the following formula:

2	Years of	Age		Employee's
3	Service	at Retirement	State's Share	Share
4	10-15	60	50%	50%
5	16-22	60	70%	30%
6	23-27	60	80%	20%
7	28+	--	90%	10%
8	28+	60	100%	0%
9	35+	any	100%	0%

10 If the retired employee is receiving a subsidy on September 30, 2008, the state will continue
11 to pay the same subsidy share until the retiree attains age sixty-five (65). Until December 31, 2013,
12 when the state retiree reaches that age which will qualify him or her for Medicare supplement, the
13 formula shall be:

14	Years of Service	State's Share	Employee's Share
15	10 - 15	50%	50%
16	16 - 19	70%	30%
17	20 - 27	90%	0%
18	28+	100%	0%

19 (c) Non-Medicare-eligible retired employees who retire on or after October 1, 2008. Any
20 retired employee who retires on or after October 1, 2008 shall be entitled, until attaining Medicare
21 eligibility, to be covered under §§ 36-12-1 -- 36-12-5 for himself and herself and, if he or she so
22 desires, his or her non-Medicare-eligible dependents, upon agreeing to pay the total cost of the
23 contract in the plan in which he or she enrolls. Payments of any non-Medicare-eligible retired
24 employee for coverage shall be deducted from his or her retirement allowance and remitted from
25 time to time in payment for such contract. Any retired employee who retires on or after October 1,
26 2008, shall be permitted to purchase coverage for his or her non-Medicare-eligible dependents upon
27 agreeing to pay the additional cost of the contract at the group rate for the plan in which the
28 dependent is enrolled. Payment for coverage for dependents shall be deducted from the retired
29 employee's retirement allowances and remitted as required in payment for the contract. The
30 Director of Administration shall develop and present to the chairpersons of the House Finance
31 Committee and the Senate Finance Committee by May 23, 2008 a retiree health plan option or
32 options to be offered to retirees eligible for state-sponsored medical coverage who are under age
33 sixty-five (65) or are not eligible for Medicare. This plan will have a reduced benefit level and will
34 have an actuarially based premium cost not greater than the premium cost of the plan offered to the

1 active state employee population. This new plan option will be available to employees retiring after
2 September 30, 2008, and their dependents.

3 (d) Non-Medicare-eligible state retirees who retire on or after October 1, 2008. Non-
4 Medicare-eligible state retirees who retire on or after October 1, 2008 from active service of the
5 state, and who were employees of the state as determined by the retirement board under § 36-8-1,
6 and who have a minimum of twenty (20) years of service, and who are a minimum of fifty-nine
7 (59) years of age, shall be entitled to receive for himself or herself a non-Medicare-eligible retiree
8 health care insurance benefit as described in § 36-12-1. The state will subsidize 80% of the cost of
9 the health insurance plan for individual coverage in which the state retiree is enrolled in. Payments
10 for coverage shall be deducted from his or her retirement allowance and remitted from time to time
11 in payment for such contract. Correctional officers as defined in §36-10-9.2 who have a minimum
12 of twenty-five (25) years of service, and who are a minimum of fifty-five (55) years of age, shall
13 be entitled to receive for themselves a non-Medicare-eligible retiree health care insurance benefit
14 as described in §36-12-1.

15 (e) Medicare-eligible state retirees who retire on or after October 1, 2008. Until December
16 31, 2013, the state shall subsidize eighty percent (80%) of the cost of the Medicare-eligible health
17 insurance plan for individual coverage in which the state retiree is enrolled, provided the employee
18 retired on or after October 1, 2008; has a minimum of twenty (20) years of service; and is a
19 minimum of fifty-nine (59) years of age. Payments for coverage shall be deducted from his or her
20 retirement allowance and remitted from time to time in payment for such health insurance plan.

21 (f) Retired employees, including retired teachers, who are non-Medicare-eligible and who
22 reach the age of sixty-five (65) shall be allowed to continue to purchase group health care insurance
23 benefits in the same manner as those provided to retired employees who have not reached the age
24 of sixty-five (65).

25 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
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1 This act would entitle correctional officers with twenty-five (25) years of service and who
2 are at least fifty-five (55) years of age to a non-Medicare-eligible retiree health care insurance
3 benefit.

4 This act would take effect upon passage.

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