

2022 -- S 2758

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO PUBLIC OFFICERS AND EMPLOYEES -- INSURANCE BENEFITS

Introduced By: Senators Ciccone, F Lombardi, McCaffrey, and Felag

Date Introduced: March 24, 2022

Referred To: Senate 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 § 36-8-1, shall be entitled to  
19 receive for himself or herself non-Medicare-eligible a retiree healthcare insurance benefit as

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

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

9 If the retired employee is receiving a subsidy on September 30, 2008, the state will continue  
10 to pay the same subsidy share until the retiree attains age sixty-five (65).

11 Until December 31, 2013, when the state retiree reaches that age which will qualify him or  
12 her for Medicare supplement, the formula shall be:

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

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

1 September 30, 2008, and their dependents.

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

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

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

24 SECTION 2. 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 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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