

REFERENCE TITLE: state retired employees; health insurance

State of Arizona
House of Representatives
Forty-fifth Legislature
First Regular Session
2001

HB 2255

Introduced by
Representatives Knaperek, Brimhall, Cooley, Allen, Blendu, Robson, Pearce,
Senator Solomon: Representative Gray, Senator Petersen

AN ACT

AMENDING SECTIONS 38-783, 38-817, 38-857 AND 38-906, ARIZONA REVISED
STATUTES; RELATING TO PUBLIC RETIREMENT SYSTEMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 38-783, Arizona Revised Statutes, is amended to
3 read:

4 38-783. Retired members; dependents; health insurance; premium
5 payment; separate account; definitions

6 A. Subject to subsection F of this section, the board shall pay from
7 ASRS assets part of the single coverage premium of any group health and
8 accident insurance for each retired or disabled member of ASRS if the member
9 elects to participate in the coverage provided by ASRS or section 38-651.01
10 or elects to participate in any other health and accident insurance coverage
11 provided or administered by an employer. The board shall pay:

12 1. Up to ~~ninety-five~~ _____ dollars per month for a retired or
13 disabled member of ASRS who is not eligible for medicare and who has ten or
14 more years of credited service.

15 2. Up to ~~sixty-five~~ _____ dollars per month for each retired or
16 disabled member of ASRS who is eligible for medicare and who has ten or more
17 years of credited service.

18 B. Subject to subsection F of this section, the board shall pay from
19 ASRS assets part of the family coverage premium of any group health and
20 accident insurance for a retired or disabled member of ASRS who elects family
21 coverage and who otherwise qualifies for payment pursuant to subsection A of
22 this section. Payment under this subsection is in the following amounts:

23 1. Up to ~~one hundred seventy-five~~ _____ dollars per month if
24 the retired or disabled member of ASRS and one or more dependents are not
25 eligible for medicare.

26 2. Up to ~~one hundred fifteen~~ _____ dollars per month if the
27 retired or disabled member of ASRS and one or more dependents are eligible
28 for medicare.

29 3. Up to ~~one hundred forty-five~~ _____ dollars per month if
30 either:

31 (a) The retired or disabled member of ASRS is not eligible for
32 medicare and one or more dependents are eligible for medicare.

33 (b) The retired or disabled member of ASRS is eligible for medicare
34 and one or more dependents are not eligible for medicare.

35 C. In addition each retired or disabled member of ASRS with less than
36 ten years of credited service and a dependent of such a retired or disabled
37 member who elects to participate in the coverage provided by ASRS or section
38 38-651.01 or who elects to participate in any other health and accident
39 coverage provided or administered by an employer is entitled to receive a
40 proportion of the full benefit prescribed by subsection A or B of this
41 section according to the following schedule:

42 1. 9.0 to 9.9 years of credited service, ninety per cent.

43 2. 8.0 to 8.9 years of credited service, eighty per cent.

44 3. 7.0 to 7.9 years of credited service, seventy per cent.

45 4. 6.0 to 6.9 years of credited service, sixty per cent.

1 administered by a participating employer of the elected officials' retirement
2 plan. THE FUND MANAGER SHALL PAY UP TO:

3 1. _____ DOLLARS PER MONTH FOR EACH RETIRED MEMBER OR SURVIVOR
4 OF THE PLAN WHO IS NOT ELIGIBLE FOR MEDICARE.

5 2. _____ DOLLARS PER MONTH FOR EACH RETIRED MEMBER OR SURVIVOR
6 OF THE PLAN WHO IS ELIGIBLE FOR MEDICARE.

7 B. The fund manager shall pay from the assets of the fund part of the
8 family coverage premium of any group health and accident insurance ~~in the~~
9 ~~amount of up to eighty-five dollars~~ each month for a benefit recipient who
10 elects family coverage and who otherwise qualifies for payment pursuant to
11 subsection A of this section. THE FUND MANAGER SHALL PAY UP TO:

12 1. _____ DOLLARS PER MONTH IF THE RETIRED MEMBER OR SURVIVOR OF
13 THE PLAN AND ONE OR MORE DEPENDENTS ARE NOT ELIGIBLE FOR MEDICARE.

14 2. _____ DOLLARS PER MONTH IF THE RETIRED MEMBER OR SURVIVOR OF
15 THE PLAN AND ONE OR MORE DEPENDENTS ARE ELIGIBLE FOR MEDICARE.

16 3. _____ DOLLARS PER MONTH IF EITHER:

17 (a) THE RETIRED MEMBER OR SURVIVOR OF THE PLAN IS NOT ELIGIBLE FOR
18 MEDICARE AND ONE OR MORE DEPENDENTS ARE ELIGIBLE FOR MEDICARE.

19 (b) THE RETIRED MEMBER OR SURVIVOR OF THE PLAN IS ELIGIBLE FOR
20 MEDICARE AND ONE OR MORE DEPENDENTS ARE NOT ELIGIBLE FOR MEDICARE.

21 C. Each retired member or survivor of the plan with less than eight
22 years of credited service and a dependent of such a retired member or
23 survivor who participates in the coverage provided by section 38-651.01 or
24 38-782 or who participates in any other health and accident insurance
25 coverage provided or administered by a participating employer of the plan is
26 entitled to receive a proportion of the full benefit prescribed by subsection
27 A or B of this section according to the following schedule:

28 1. 7.0 to 7.9 years of credited service, ninety per cent.

29 2. 6.0 to 6.9 years of credited service, seventy-five per cent.

30 3. 5.0 to 5.9 years of credited service, sixty per cent.

31 4. Those with less than five years of credited service do not qualify
32 for the benefit.

33 D. The fund manager shall not pay more than ~~eighty-five dollars each~~
34 ~~month or the applicable proportion prescribed in subsection C of~~ THE AMOUNT
35 PRESCRIBED IN this section for a benefit recipient as a member or survivor of
36 the plan.

37 Sec. 3. Section 38-857, Arizona Revised Statutes, is amended to read:

38 38-857. Group health and accident coverage for retired members;
39 payment

40 A. The fund manager of the public safety personnel retirement system
41 shall pay part of the single coverage premium of any group health and
42 accident insurance ~~in the amount of up to eighty-two dollars fifty cents per~~
43 ~~month~~ for ~~a~~ EACH retired member or survivor of the system who receives a
44 pension and WHO has elected to participate in the coverage provided by
45 section 38-651.01 or 38-782 or ~~who participates in~~ any other health and

1 accident insurance COVERAGE provided or administered by a participating
2 employer of the system. THE FUND MANAGER SHALL PAY UP TO:

3 1. _____ DOLLARS PER MONTH FOR EACH RETIRED MEMBER OR SURVIVOR
4 OF THE SYSTEM WHO IS NOT ELIGIBLE FOR MEDICARE.

5 2. _____ DOLLARS PER MONTH FOR EACH RETIRED MEMBER OR SURVIVOR
6 OF THE SYSTEM WHO IS ELIGIBLE FOR MEDICARE.

7 B. The fund manager of the system shall pay from assets of the fund
8 part of the family coverage premium of any group health and accident
9 insurance ~~in an amount of up to one hundred thirty dollars~~ each month for a
10 benefit recipient who elects family coverage and otherwise qualifies for
11 payment pursuant to subsection A of this section. THE FUND MANAGER SHALL PAY
12 UP TO:

13 1. _____ DOLLARS PER MONTH IF THE RETIRED MEMBER OR SURVIVOR OF
14 THE SYSTEM AND ONE OR MORE DEPENDENTS ARE NOT ELIGIBLE FOR MEDICARE.

15 2. _____ DOLLARS PER MONTH IF THE RETIRED MEMBER OR SURVIVOR OF
16 THE SYSTEM AND ONE OR MORE DEPENDENTS ARE ELIGIBLE FOR MEDICARE.

17 3. _____ DOLLARS PER MONTH IF EITHER:

18 (a) THE RETIRED MEMBER OR SURVIVOR OF THE SYSTEM IS NOT ELIGIBLE FOR
19 MEDICARE AND ONE OR MORE DEPENDENTS ARE ELIGIBLE FOR MEDICARE.

20 (b) THE RETIRED MEMBER OR SURVIVOR OF THE SYSTEM IS ELIGIBLE FOR
21 MEDICARE AND ONE OR MORE DEPENDENTS ARE NOT ELIGIBLE FOR MEDICARE.

22 C. The fund manager shall not pay from assets of the fund more than
23 ~~one hundred thirty dollars each month pursuant to~~ THE AMOUNT PRESCRIBED IN
24 this section for a benefit recipient as a member or survivor of the system.

25 D. This section does not apply to a retired member or survivor of the
26 system who is reemployed by this state or a political subdivision of this
27 state and who participates in coverage provided by this state or a political
28 subdivision of this state as an active employee.

29 Sec. 4. Section 38-906, Arizona Revised Statutes, is amended to read:

30 38-906. Group health and accident coverage for retired members;
31 payment

32 A. The fund manager shall pay from the assets of the fund part of the
33 single coverage premium of any group health and accident insurance ~~in the~~
34 ~~amount of up to ninety-five dollars per month~~ for each retired member or
35 survivor of the plan who ~~is receiving benefits, who is not eligible for~~
36 ~~medicare and who elects single coverage and up to sixty-five dollars per~~
37 ~~month for each retired member or survivor of the plan who is receiving~~
38 ~~benefits, who is eligible for medicare and who elects single coverage. In~~
39 ~~order to qualify for the benefits provided in this section, the retired~~
40 ~~member or survivor must~~ RECEIVES A PENSION AND WHO HAS ELECTED TO participate
41 in coverage provided by section 38-651.01 or 38-782 or ~~participate in~~ any
42 other health and accident insurance coverage provided or administered by a
43 participating employer in the plan. THE FUND MANAGER SHALL PAY UP TO:

44 1. _____ DOLLARS PER MONTH FOR EACH RETIRED MEMBER OR SURVIVOR
45 OF THE PLAN WHO IS NOT ELIGIBLE FOR MEDICARE.

1 2. _____ DOLLARS PER MONTH FOR EACH RETIRED MEMBER OR SURVIVOR
2 OF THE PLAN WHO IS ELIGIBLE FOR MEDICARE.

3 B. The fund manager shall pay from the assets of the fund part of the
4 family coverage premium of any group health and accident insurance for each
5 retired member or survivor of the plan who elects family coverage and who
6 otherwise qualifies for payment pursuant to subsection A of this section.
7 Payment under this subsection is in the following amounts:

8 1. Up to ~~one hundred seventy-five~~ _____ dollars ~~each~~ PER month
9 if the retired member or survivor OF THE PLAN and ~~dependent~~ ONE OR MORE
10 DEPENDENTS are not eligible for medicare.

11 2. Up to ~~one hundred fifteen~~ _____ dollars ~~each~~ PER month if
12 the retired member or survivor OF THE PLAN and ~~dependent~~ ONE OR MORE
13 DEPENDENTS are ~~both~~ eligible for medicare.

14 3. Up to ~~one hundred forty-five~~ _____ dollars PER MONTH if
15 either:

16 (a) The retired member or survivor OF THE PLAN is not eligible for
17 medicare and ~~the dependent is~~ ONE OR MORE DEPENDENTS ARE eligible for
18 medicare.

19 (b) The retired member or survivor OF THE PLAN is eligible for
20 medicare and ~~the dependent is~~ ONE OR MORE DEPENDENTS ARE not eligible for
21 medicare.

22 C. The fund manager shall not pay more than the amount prescribed in
23 ~~subsection A or B of~~ this section for a benefit recipient as a member or
24 survivor of the plan.

25 Sec. 5. Effective date

26 This act is effective from and after December 31, 2001.