



An Act Concerning Health Insurance Plans Maintained By The Teachers' Retirement Board.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-183t of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 The board shall offer one or more health benefit plans to any
4 member receiving retirement benefits or a disability allowance from
5 the system, [and] to the spouse or surviving spouse of such member,
6 and to a disabled dependent of such member if there is no spouse or
7 surviving spouse, provided such member, spouse or surviving spouse,
8 or disabled dependent is eligible for Medicare Part A hospital
9 insurance. The board may offer one or more basic plans, [at no cost,]
10 the cost of which to any such member, [and] to the spouse or surviving
11 spouse of such member and to a disabled dependent of such member if
12 there is no spouse or surviving spouse, shall be twenty-five per cent of
13 the basic plan's premium equivalent, and one or more optional plans,
14 provided such member, spouse, [or] surviving spouse or disabled
15 dependent shall pay twenty-five per cent of the basic plan's premium
16 equivalent plus the difference in cost between any such basic plans and
17 any such optional plans. The board shall designate those plans which
18 are basic and those plans which are optional for the purpose of
19 determining such cost and the amount to be charged or withheld from
20 benefit payments for such [optional plan coverage] plans. The

21 surviving spouse of a member, or a disabled dependent of a member if
22 there is no surviving spouse, shall not be ineligible for participation in
23 any such plan solely because such surviving spouse or such disabled
24 dependent is not receiving benefits from the system. [On and after July
25 1, 1998, the board shall pay the full cost of health insurance for any
26 member, spouse or surviving spouse participating in a basic health
27 insurance plan offered pursuant to this subsection.] With respect to
28 any person participating in any such plan, the state shall appropriate
29 to the board twenty-five per cent of the cost of such basic plan or plans,
30 or twenty-five per cent of the cost of the rate in effect during the fiscal
31 year ending June 30, 1998, whichever is greater.

32 (b) Any member who is receiving retirement benefits or a disability
33 allowance from the system, [or] the spouse or surviving spouse of such
34 member, or a disabled dependent of such member if there is no spouse
35 or surviving spouse, and who is not participating in Medicare Part A
36 hospital insurance, may fully participate in any or all group health
37 insurance plans maintained for active teachers by such member's last
38 employing board of education, or by the state in the case of a member
39 who was employed by the state, upon payment to such board of
40 education or to the state, as applicable, by such member, spouse or
41 surviving spouse, or disabled dependent, of the premium charged for
42 his form of coverage. Such premium shall be no greater than that
43 charged for the same form of coverage for active teachers. The
44 surviving spouse or disabled dependent shall not be ineligible for
45 participation in any such plan solely because such surviving spouse or
46 disabled dependent is not receiving benefits from the system. No
47 person shall be ineligible for participation in such plans for failure to
48 enroll in such plans at the time the member's retirement benefit or
49 disability allowance became effective. Nothing in this subsection shall
50 be construed to impair or alter the provisions of any collective
51 bargaining agreement relating to the payment by a board of education
52 of group health insurance premiums on behalf of any member
53 receiving benefits from the system. Prior to the cancellation of
54 coverage for any member, spouse or surviving spouse for failure to

55 pay the required premiums or cost due, the board of education or the
56 state, if applicable, shall notify the Teachers' Retirement Board of its
57 intention to cancel such coverage at least thirty days prior to the date
58 of cancellation. [absent] Absent any contractual provisions to the
59 contrary, the payments made pursuant to subsection (c) of this section
60 shall be first applied to any cost borne by the member, spouse or
61 surviving spouse participating in any such plan. As used in this
62 subsection, "last employing board of education" means the board of
63 education with which such member filed his initial application for
64 retirement, and "health insurance plans" means hospital, medical,
65 major medical, dental, prescription drug or auditory benefit plans that
66 are available to active teachers.

67 (c) On and after July 1, [1998] 2000, the board shall pay [an amount
68 equal to the cost of a basic health insurance plan] a subsidy equal to
69 the subsidy paid in the fiscal year ending June 30, 2000, to the board of
70 education or to the state, if applicable, on behalf of any member who is
71 receiving retirement benefits or a disability allowance from the system,
72 or the spouse [or] surviving spouse of such member, or a disabled
73 dependent of such member if there is no spouse or surviving spouse,
74 who is participating in a health insurance plan maintained by a board
75 of education or by the state, if applicable. Such payment shall not [be
76 less than the rate which was in effect during the fiscal year ending June
77 30, 1998, and shall not] exceed the actual cost of such insurance. With
78 respect to any person participating in any such plan pursuant to
79 subsection (b) of this section, the state shall appropriate to the board
80 twenty-five per cent of the cost of [such basic plan or plans, or twenty-
81 five per cent of the cost of the rate in effect during the fiscal year
82 ending June 30, 1998, whichever is greater] the subsidy. No payment to
83 a board of education pursuant to this subsection may be used to
84 reduce the amount of any premium payment on behalf of any such
85 member, spouse or surviving spouse, or disabled dependent, made by
86 such board pursuant to any agreement in effect on July 1, 1990.

87 (d) The Treasurer shall establish a separate retired teachers' health
88 insurance premium account within the Teachers' Retirement Fund.

89 Commencing July 1, 1989, and annually thereafter all one per cent
90 contributions withheld under this chapter in excess of five hundred
91 thousand dollars shall, upon deposit in the Teachers' Retirement Fund,
92 be credited to such account. Interest derived from the investment of
93 funds in the account shall be credited to the account. Funds in the
94 account shall be used for payments to boards of education pursuant to
95 subsection (c) of this section and for payment of premiums on behalf of
96 members or surviving spouses of members participating in one or
97 more health insurance plans pursuant to subsection (a) of this section
98 in an amount equal to the difference between the amount paid
99 pursuant to said subsection (a) and the amount paid pursuant to
100 subsection (c) of this section. If, during any fiscal year, there are
101 insufficient funds in the account for the purposes of all such payments,
102 the General Assembly shall appropriate sufficient funds to the account
103 for such purpose.

104 Sec. 2. This act shall take effect July 1, 2000.

APP Committee Vote: Yea 50 Nay 0 JFS