

1 **HEALTH INSURANCE COVERAGE RESTRICTIONS ON**
2 **RETIRED GOVERNORS AND LEGISLATORS**

3 2013 GENERAL SESSION

4 STATE OF UTAH

5
6 **LONG TITLE**

7 **General Description:**

8 This bill modifies the Utah State Retirement and Insurance Benefit Act by amending
9 post-retirement health coverage provisions for governors and legislatures.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ clarifies that only service as a governor or legislator qualifies a recipient for
13 governor's and legislator's group health coverage or medicare supplemental
14 coverage;
15 ▶ provides that only service as a governor or legislator that began before July 1, 2013
16 qualifies a recipient for medicare supplemental coverage; and
17 ▶ makes technical changes.

18 **Money Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **49-20-404**, as last amended by Laws of Utah 2012, Chapters 298 and 376

25
26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **49-20-404** is amended to read:

28 **49-20-404. Governors' and legislative paid-up group health coverage benefit --**

29 **Limitations -- Medicare supplemental coverage -- Spouse coverage -- Limitations.**

30 (1) (a) [~~The~~] Except as provided under Subsection (1)(b), the state shall pay the
31 percentage of the cost of providing paid-up group health coverage under Subsection (3) for

32 members and their surviving spouses covered under Chapter 19, Utah Governors' and
33 Legislators' Retirement Act, or ~~[except as provided under Subsection (1)(b);]~~ governors and
34 legislators, as defined in Section 49-19-102, and their surviving spouses covered under Chapter
35 22, New Public Employees' Tier II Contributory Retirement Act, who:

- 36 (i) retire after January 1, 1998;
37 (ii) are at least 62 but less than 65 years of age;
38 (iii) elect to receive and apply for this benefit to the program; and
39 (iv) are active members at the time of retirement or have continued coverage with the
40 program until the date of eligibility for the benefit under this Subsection (1).

41 (b) A governor or a legislator who begins service as a governor or legislator on or after
42 January 1, 2012, and a surviving spouse of the governor or the legislator who begins service as
43 a governor or legislator on or after January 1, 2012, is not eligible for the benefit provided
44 under this Subsection (1).

45 (2) The state shall pay the percentage of the cost of providing Medicare supplemental
46 coverage under Subsection (3) for members and their surviving spouses covered under Chapter
47 19, Utah Governors' and Legislators' Retirement Act who:

- 48 (a) began service as a governor or legislator before July 1, 2013;
49 ~~[(a)]~~ (b) retire after January 1, 1998;
50 ~~[(b)]~~ (c) are at least 65 years of age; and
51 ~~[(c)]~~ (d) elect to receive and apply for this benefit to the program.

52 (3) The following percentages apply to the benefit described in Subsections (1)(a) and
53 (2):

- 54 (a) 100% if the member has accrued 10 or more years of service credit;
55 (b) 80% if the member has accrued 8 or more years of service credit;
56 (c) 60% if the member has accrued 6 or more years of service credit; and
57 (d) 40% if the member has accrued 4 or more years of service credit.