

State Impact

Under current statute, an employee with unused sick leave can, upon retirement, purchase Medicare supplemental insurance using that unused sick leave. This bill expands the Medicare supplemental insurance coverage to the retiree's spouse at no additional cost to the retiree. The effect of this is that the State will provide the supplemental coverage for a longer period of time. This extension of time will be compounded by the annual increase in costs for medical coverage and the increasing prices of the premium the older the person gets. The fiscal impact of this bill would be determined by the number of retirees who qualify for this benefit. While it is impossible to determine the fiscal impact, it is reasonable to assume that the costs to the State could be significant.

Individual and Business Impact

Employees who retire from State employment with unused sick leave would be able to have Medicare supplemental coverage for a longer period of time. The bill may also reduce the number of individuals who can purchase service credit toward retirement.
