

HOUSE No. 2567

The Commonwealth of Massachusetts

PRESENTED BY:

Ronald Mariano

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to future public retiree healthcare benefits.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Ronald Mariano</i>	<i>3rd Norfolk</i>	<i>1/20/2017</i>

HOUSE No. 2567

By Mr. Mariano of Quincy, a petition (accompanied by bill, House, No. 2567) of Ronald Mariano relative to benefits from the contributory group insurance program for persons in the service of the Commonwealth or counties, cities, towns and districts. Public Service.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to future public retiree healthcare benefits.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 8 of said chapter 32A, as appearing in the 2014 Official Edition, is
2 hereby amended by striking out the first sentence and inserting in place thereof the following 3
3 paragraphs:-

4 For policies of group life insurance and accidental death and dismemberment insurance,
5 and group health insurance purchased by the commission in accordance with sections 4, 5 and
6 10C on behalf of active employees and retired employees who were hired before January 1, 2018
7 and their dependents, the commonwealth shall contribute not less than 75 per cent of the total
8 monthly premium or rate applicable to said coverages, except, that upon approval by way of an
9 annual, or more frequent appropriation act, the commonwealth may contribute more than
10 seventy-five per cent but less than the entire total monthly premium or rate.

11 For policies of group life insurance and accidental death and dismemberment insurance,
12 and group health insurance purchased by the commission in accordance with sections 4, 5 and

13 10C on behalf of retired employees who are hired on or after January 1, 2018 and their
14 dependents, the commonwealth shall contribute not less than 50 per cent of the total monthly
15 premium or rate applicable to said coverages and these retirees on behalf of themselves or
16 themselves and their dependents shall contribute the remaining 50 per cent of the total monthly
17 premium or rate. For purposes herein, “maximum available benefit” shall mean the lowest
18 percentage of the total monthly premium or rate being paid by the commonwealth on behalf of
19 retired employees who were hired before January 1, 2018. The commonwealth shall contribute
20 an increased amount of the total monthly premium or applicable rate on behalf of retired
21 employees who were hired on or after January 1, 2018 according to the following schedule:

22 (a) With a minimum of 10 years of creditable service, a minimum of 50 per cent of
23 the total monthly premium or applicable rate.

24 (b) With a minimum of 15 years of creditable service, a minimum of 50 per cent of
25 the total monthly premium or applicable rate, plus 1/3 of the difference between 50 per cent and
26 the maximum available benefit.

27 (c) With a minimum of 23 years of creditable service, a minimum of 50 per cent of
28 the total monthly premium or applicable rate, plus 2/3 of the difference between 50 per cent and
29 the maximum available benefit.

30 (d) With a minimum of 30 years of creditable services, the maximum available
31 benefit.

32 Retired employees who are hired on or after January 1, 2018 and receiving an ordinary
33 disability retirement under section 6 of chapter 32 or an accidental disability retirement under
34 section 7 of chapter 32 shall be eligible for the maximum available benefit.

35 Retired employees who are hired on or after January 1, 2018 shall contribute, on behalf
36 of themselves or themselves and their dependents, the remaining share of the total monthly
37 premium or rate, except, that upon approval by way of an annual, or more frequent appropriation
38 act, the commonwealth may contribute more than the percentage indicated above, but less than
39 the entire total monthly premium or rate.

40 For purposes of this chapter, the per cent of monthly premium or rate contributed by a
41 retired employee, at any time, will not be higher than the per cent of monthly premium or rate
42 contributed upon retirement.

43 SECTION 2. Section 10 of said chapter 32A, as so appearing, is hereby further amended
44 by adding at the end thereof the following paragraph:-

45 For purposes of this chapter, a retired employee who was hired on or after
46 January 1, 2018 and :

47 (a) Receiving a superannuation retirement from a position classified as Group 1
48 under section 3 of chapter 32 shall not be eligible for contributions to their group health care
49 coverage under this chapter unless the retired employee is at least 60 years old.

50 (b) Receiving a superannuation retirement from a position classified as Group 2
51 under section 3 of chapter 32 shall not be eligible for contributions to their group health care
52 coverage under this chapter unless the retired employee is at least 55 years old.

53 (c) Receiving a superannuation retirement from a position classified as Group 3
54 under section 3 of chapter 32 shall not be shall not be eligible for contributions to their group
55 health care coverage under this chapter unless the individual is at least 50 years old.

56 (d) Receiving a superannuation retirement from a position classified as Group 4
57 under section 3 of chapter 32 shall not be be eligible for contributions to their group health cared
58 coverage under this chapter unless the individual is at least 50 years old.

59 SECTION 3. Paragraph (d) of section 10C of said chapter 32A, as so appearing, is hereby
60 amended by striking out, in lines 74 to 75 the words “fifty per cent of the premium for such
61 insurance, and the commonwealth shall make primary payment of the remaining fifty per cent”
62 and inserting in place thereof the following words:- the appropriate per cent of the premium of
63 such insurance, and the commonwealth shall make primary payment of the remaining share.

64 SECTION 4. Section 11 of chapter 32A of the General Laws, as so appearing , is hereby
65 amended by striking out in lines 6 and 7 the words "until the remarriage of said surviving
66 spouse".

67 SECTION 5. Section 11 of said chapter 32A, as so appearing, is hereby amended by
68 striking out, in lines 13 to 14, the words “contributes, pursuant to section eight, on behalf of
69 retired employees,” and inserting in place thereof the following words:- had contributed on
70 behalf of the deceased employee or retiree as of the date of death, but for the surviving spouse of
71 an employee or retired employee who died before July 1, 2018, the commonwealth shall
72 contribute 90 per cent of the cost of the monthly premium or rate applicable to the coverage.
73 Contributions by the commonwealth under this section shall be.

74 SECTION 6. Section 9 of said chapter 32B, as so appearing, is hereby amended by
75 inserting, after the first paragraph, the following 4 paragraphs:-

76 Notwithstanding the first paragraph of this section, for policies of group health insurance
77 purchased by the appropriate public authority in accordance with this chapter, the governmental

78 unit, on behalf of retired employees who are hired on or after January 1, 2018 and their
79 dependents, shall contribute no less than 50 per cent of the total monthly premium or rate
80 applicable to said insurance coverage and the qualified retirees on behalf of themselves or
81 themselves and their dependents shall contribute the remaining 50 per cent of the total monthly
82 premium or rate. For purposes of this section, “maximum available benefit” shall mean the
83 percentage of the total monthly premium or rate paid by the governmental unit to qualified
84 retirees with a minimum of 30 years of creditable service. The governmental unit shall contribute
85 an increased amount of the total monthly premium or applicable rate on behalf of retired
86 employees who were hired on or after January 1, 2018 according to the following schedule:

87 (e) With a minimum of 10 years of creditable service, a minimum of 50 per cent of
88 the total monthly premium or applicable rate.

89 (f) With a minimum of 15 years of creditable service, a minimum of 50 per cent of
90 the total monthly premium or applicable rate, plus 1/3 of the difference between 50 per cent and
91 the maximum available benefit.

92 (g) With a minimum of 23 years of creditable service, a minimum of 50 per cent of
93 the total monthly premium or applicable rate, plus 2/3 of the difference between 50 per cent and
94 the maximum available benefit.

95 (h) With a minimum of 30 years of creditable services, the maximum available
96 benefit.

97 Retired employees who are hired on or after January 1, 2018 and receiving an ordinary
98 disability retirement under section 6 of chapter 32 or an accidental disability retirement under
99 section 7 of chapter 32 shall be eligible for the maximum available benefit.

100 Retired employees who are hired on or after January 1, 2018 shall contribute, on behalf
101 of themselves or themselves and their dependents, the remaining share of the total monthly
102 premium or rate, except, that upon approval by way of an annual, or more frequent appropriation
103 act, the governmental unit may contribute more than the percentage indicated above, but less
104 than the entire total monthly premium or rate.

105 For purposes of this chapter, the per cent of monthly premium or rate contributed by a
106 retired employee, at any time, will not be higher than the per cent of monthly premium or rate
107 contributed upon retirement.

108 SECTION 7. Section 9 of said chapter 32B, as so appearing, is hereby further amended
109 by adding at the end thereof the following new paragraph:-

110 For purposes of this chapter, a retired employee who was hired on or after
111 January 1, 2018 and:

112 (a) Receiving a superannuation retirement from a position classified as Group 1
113 under section 3 of chapter 32 shall not be eligible for contributions to their group health care
114 coverage under this chapter unless the retired employee is at least 60 years old.

115 (b) Receiving a superannuation retirement from a position classified as Group 2
116 under section 3 of chapter 32 shall not be eligible for contributions to their group health care
117 coverage under this chapter unless the retired employee is at least 55 years old.

118 (c) Receiving a superannuation retirement from a position classified as Group 4
119 under section 3 of chapter 32 shall not be eligible for contributions to their group health care
120 coverage under this chapter unless the individual is at least 50 years old.

121 SECTION 8. Section 9B of chapter 32B of the General Laws, as so appearing, is hereby
122 further amended by striking out in lines 4 and 5 the words ",until the remarriage or death of said
123 surviving spouse".

124 SECTION 9. Section 9B of chapter 32B of the General Laws, as appearing, is hereby
125 amended by striking out in lines 9 and 10 the words "the entire cost of such premium without
126 any contribution by the governmental unit" and inserting in place thereof the following words: -
127 one-half the cost of such premiums with one-half the cost of such premiums paid by the
128 governmental unit.

129 SECTION 10. Section 9D of said chapter 32, as so appearing, is hereby repealed.

130 SECTION 11. Section 9E of chapter 32B of the General Laws, as appearing in the 2012
131 Official Edition, is amended by inserting at the end of the last sentence thereof the following
132 words:- ; provided, however, that the percent of premium paid by a retired employee, at any
133 time, will not be higher than the percent of premium paid upon retirement.

134 SECTION 12. The provisions in sections 4 and 8 of this act shall apply to surviving
135 spouses of a deceased employee or retired employee, who remarried prior to the effective date of
136 this act and whose insurance coverage, upon remarriage, was terminated under chapters 32A or
137 32B of the General Laws.

138 SECTION 13. The provisions in sections 4 and 8 of this act shall be prospective from the
139 effective date of this act and shall not entitle any surviving spouse of a deceased employee or
140 retired employee to any retroactive insurance coverage.