

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2668

(SENATE AUTHORS: WIKLUND)

DATE	D-PG	OFFICIAL STATUS
03/17/2025		Introduction and first reading Referred to State and Local Government

1.1A bill for an act

1.2relating to state government; adding eligibility for certain spouses of retired state

1.3employees under the group insurance program; amending Minnesota Statutes 2024,

1.4section 43A.27, subdivision 3.

1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6Section 1. Minnesota Statutes 2024, section 43A.27, subdivision 3, is amended to read:

1.7Subd. 3. **Retired employees.** (a) A person may elect to purchase at personal expense

1.8individual and dependent hospital, medical, and dental coverages if the person is:

1.9(1) a retired employee of the state or an organization listed in subdivision 2 or section

1.1043A.24, subdivision 2, who, at separation of service:

1.11(i) is immediately eligible to receive a retirement benefit under chapter 354B or an

1.12annuity under a retirement program sponsored by the state or such organization of the state;

1.13(ii) immediately meets the age and service requirements in section 352.115, subdivision

1.141; and

1.15(iii) has five years of service or meets the service requirement of the collective bargaining

1.16agreement or plan, whichever is greater; or

1.17(2) a retired employee of the state who is at least 50 years of age and has at least 15

1.18years of state service.

1.19(b) The commissioner shall offer at least one plan which is actuarially equivalent to

1.20those made available through collective bargaining agreements or plans established under

1.21section 43A.18 to employees in positions equivalent to that from which retired.

(c) A spouse of a person eligible under paragraph (a) may purchase the coverage listed in this subdivision if the spouse was a dependent under the retired employee's coverage at the time of the retiree's death.

(d) A spouse of a person eligible under paragraph (a) who is a dependent under the retired employee's coverage may purchase the coverage listed in this subdivision if the retired employee loses eligibility for coverage because the retired employee enrolls in medical assistance under chapter 256B and has a disability that meets the categorical eligibility requirements of the Supplemental Security Income program.

~~(d)~~ (e) Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program. Until the retired employee reaches age 65, the retired employee and dependents must be pooled in the same group as active employees for purposes of establishing premiums and coverage for hospital, medical, and dental insurance. Coverage for retired employees and their dependents may not discriminate on the basis of evidence of insurability or preexisting conditions unless identical conditions are imposed on active employees in the group that the employee left. Appointing authorities shall provide notice to employees no later than the effective date of their retirement of the right to exercise the option provided in this subdivision. The retired employee must notify the commissioner or designee of the commissioner within 30 days after the effective date of the retirement of intent to exercise this option.