

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

3                                   2013 GENERAL SESSION

4                                   STATE OF UTAH

5                                   **Chief Sponsor: Todd Weiler**

6                                   House Sponsor: Don L. Ipson

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8                   **LONG TITLE**

9                   **General Description:**

10                   This bill modifies the Utah State Retirement and Insurance Benefit Act by amending  
11                   postretirement health coverage provisions for governors and legislators.

12                   **Highlighted Provisions:**

13                   This bill:

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

20                   **Money Appropriated in this Bill:**

21                   None

22                   **Other Special Clauses:**

23                   None

24                   **Utah Code Sections Affected:**

25                   AMENDS:

26                   **49-20-404**, as last amended by Laws of Utah 2012, Chapters 298 and 376

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28                   *Be it enacted by the Legislature of the state of Utah:*

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

30 **49-20-404. Governors' and legislative paid-up group health coverage benefit --**  
31 **Limitations -- Medicare supplemental coverage -- Spouse coverage -- Limitations.**

32 (1) (a) [~~The~~] Except as provided under Subsection (1)(b), the state shall pay the  
33 percentage of the cost of providing paid-up group health coverage under Subsection (3) for  
34 members and their surviving spouses covered under Chapter 19, Utah Governors' and  
35 Legislators' Retirement Act, or [~~except as provided under Subsection (1)(b),~~] governors and  
36 legislators, as defined in Section 49-19-102, and their surviving spouses covered under Chapter  
37 22, New Public Employees' Tier II Contributory Retirement Act, who:

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

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

47 (2) The state shall pay the percentage of the cost of providing Medicare supplemental  
48 coverage under Subsection (3) for members and their surviving spouses covered under Chapter  
49 19, Utah Governors' and Legislators' Retirement Act who:

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

54 (3) The following percentages apply to the benefit described in Subsections (1)(a) and  
55 (2):

- 56 (a) 100% if the member has accrued 10 or more years of service credit;
- 57 (b) 80% if the member has accrued 8 or more years of service credit;

58 (c) 60% if the member has accrued 6 or more years of service credit; and

59 (d) 40% if the member has accrued 4 or more years of service credit.