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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

## No. 1075

Session of  
1985

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INTRODUCED BY COWELL, COHEN, MILLER, FISCHER, KOSINSKI, DALEY,  
HALUSKA, BELFANTI, RYBAK, MICHLOVIC, CALTAGIRONE, MARKOSEK,  
TRELLO, SEMMEL, FOX, AFFLERBACH, TIGUE, PETRONE, WOGAN,  
PRATT, OLIVER, REBER, DeLUCA, GEIST, PRESTON, PISTELLA,  
PETRARCA, TELEK, PERZEL, WIGGINS, OLASZ AND E. Z. TAYLOR,  
APRIL 30, 1985

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REFERRED TO COMMITTEE ON INSURANCE, APRIL 30, 1985

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AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated  
2 Statutes, adding provisions relating to medical insurance.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Title 24 of the Pennsylvania Consolidated  
6 Statutes is amended by adding a section to read:

7 § 8313. Eligibility for medical insurance contributions.

8 An annuitant shall be eligible to receive contributions by  
9 the Commonwealth toward payment of medical, major medical and  
10 hospitalization insurance coverage in accordance with section  
11 8350 (relating to medical insurance contributions) if the  
12 annuitant:

13 (1) has attained age 65 and has five or more years of  
14 credited service;

15 (2) has 25 or more years of credited service; or

16 (3) is a disability annuitant.

1 Section 2. Section 8326 of Title 24 is amended by adding a  
2 subsection to read:

3 § 8326. Contributions by the Commonwealth.

4 \* \* \*

5 (c) Contributions for medical insurance coverage.--The  
6 Commonwealth shall make contributions to the fund on behalf of  
7 all annuitants eligible to receive medical insurance  
8 contributions in accordance with section 8313 (relating to  
9 eligibility for medical insurance contributions) in an amount  
10 certified by the board as necessary to fund the additional  
11 liabilities for payments as provided in section 8350 (relating  
12 to medical insurance contributions).

13 Section 3. Title 24 is amended by adding a section to read:  
14 § 8350. Medical insurance contributions.

15 An annuitant eligible to receive a contribution toward  
16 payment of medical, major medical and hospitalization insurance  
17 under section 8313 (relating to eligibility for medical  
18 insurance contributions) shall receive a \$30 a month increase in  
19 his annuity paid by the Commonwealth as a contribution toward  
20 the cost of medical insurance.

21 Section 4. Section 8505(i) of Title 24 is amended to read:

22 § 8505. Duties of board regarding applications and elections of  
23 members.

24 \* \* \*

25 (i) Medical insurance coverage.--Upon receipt of  
26 notification from an insurance carrier approved by the board  
27 that an annuitant who has attained age 65 has elected medical,  
28 major medical, and hospitalization insurance coverage, the board  
29 shall deduct [from the annuity payments] the appropriate annual  
30 charges in equal monthly installments from the annuity payments

1 and any additional Commonwealth contributions for medical  
2 insurance coverage on behalf of the annuitant. Such deductions  
3 shall be transmitted to the insurance carrier.

4 \* \* \*

5 Section 5. The sum of \$25,200,000, or as much thereof as may  
6 be necessary, is hereby appropriated from the General Fund into  
7 the Public School Employees' Retirement Fund to carry out the  
8 purposes of this act.

9 Section 6. This act shall take effect July 1, 1985, or  
10 immediately, whichever is later.