
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2390

Session of
1992

INTRODUCED BY WAMBACH, CAPPABIANCA, COWELL, NOYE, PETRARCA,
PESCI, STURLA, FARGO, NAILOR, BATTISTO, JOHNSON, CARLSON,
KING, STABACK, SCHEETZ, PICCOLA, PHILLIPS, NAHILL, ITKIN,
E. Z. TAYLOR, KRUSZEWSKI, JOSEPHS, BELARDI, VROON, PISTELLA,
RICHARDSON, STUBAN, McCALL, COLE, COY, JAMES AND STEIGHNER,
FEBRUARY 4, 1992

SENATOR ARMSTRONG, FINANCE, IN SENATE, AS AMENDED,
NOVEMBER 17, 1992

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled
2 "An act providing for and reorganizing the conduct of the
3 executive and administrative work of the Commonwealth by the
4 Executive Department thereof and the administrative
5 departments, boards, commissions, and officers thereof,
6 including the boards of trustees of State Normal Schools, or
7 Teachers Colleges; abolishing, creating, reorganizing or
8 authorizing the reorganization of certain administrative
9 departments, boards, and commissions; defining the powers and
10 duties of the Governor and other executive and administrative
11 officers, and of the several administrative departments,
12 boards, commissions, and officers; fixing the salaries of the
13 Governor, Lieutenant Governor, and certain other executive
14 and administrative officers; providing for the appointment of
15 certain administrative officers, and of all deputies and
16 other assistants and employees in certain departments, boards,
17 and commissions; and prescribing the manner in which the
18 number and compensation of the deputies and all other
19 assistants and employees of certain departments, boards and
20 commissions shall be determined," further providing for
21 medical insurance coverage for survivor-spouses of
22 annuitants; and making a repeal.

23 The General Assembly of the Commonwealth of Pennsylvania

24 hereby enacts as follows:

25 Section 1. Section 529 of the act of April 9, 1929 (P.L.177,

1 No.175), known as The Administrative Code of 1929, added August
2 14, 1991 (P.L.331, No.35), is amended to read:

3 Section 529. Medical Insurance Coverage For Survivor-Spouses
4 of Annuitants.--(a) A survivor-spouse of an annuitant under the
5 State Employees' Retirement System who had elected to convert
6 medical, major medical and hospitalization insurance coverage
7 shall have the option to continue such insurance coverage. The
8 State Employees' Retirement System shall notify prospectively
9 the appropriate State agency administering that annuitant's
10 group health insurance program. A previously covered survivor-
11 spouse of an annuitant who died before October 14, 1991, must
12 notify the State Employees' Retirement System of potential
13 eligibility. The survivor-spouse must submit satisfactory
14 documentation supporting the claim of eligibility to the
15 appropriate State agency administering that annuitant's group
16 health insurance program. THE STATE AGENCY OR FUND ADMINISTERING <—
17 THAT ANNUITANT'S GROUP HEALTH INSURANCE PROGRAM MUST SEND AN
18 ELECTION FORM TO THE ELIGIBLE SURVIVOR-SPOUSE WITHIN THIRTY (30)
19 DAYS OF NOTIFICATION THAT THE ANNUITANT DIED. The State
20 Employees' Retirement [Board] System, upon receipt of the
21 election by the survivor-spouse of the annuitant to continue
22 such insurance coverage, shall notify the insurance carrier of
23 the election and deduct the appropriate [annual] charges in
24 equal monthly installments. Such deductions shall be transmitted
25 to the designated fiscal officer of the Commonwealth having
26 jurisdiction over the payment of such group charges on behalf of
27 the annuitant or the survivor-spouse. This section shall apply
28 to all survivor-spouses of annuitants regardless of when they
29 attain such status. An eligible survivor-spouse who does not
30 return the election form to the State Employees' Retirement

System or the appropriate State agency administering the annuitant's group health insurance program within thirty (30) days shall have a coverage effective date of the first day of the month subsequent to the receipt of the election form.

(b) In the event that the monthly annuity of the survivor-spouse of the annuitant is less than the amount needed or such person receives no survivor annuity to cover the applicable monthly installment payments, the Commonwealth's fiscal officer shall identify the total [annual] difference between these amounts and shall notify the survivor-spouse of the annuitant of the deficiency. Within thirty (30) days of this notification, the survivor-spouse of the annuitant shall make a payment to the Commonwealth's fiscal officer in an amount sufficient to cover the [full year's] deficiency for the period mandated by the State agency administering the annuitant's group health insurance program, which (period) shall not exceed one (1) year.

If payment is not received by the Commonwealth's fiscal officer within the specified time period, the eligibility for State insurance coverage for the survivor-spouse of the annuitant shall be forfeited. Upon forfeiture, the Commonwealth's fiscal officer shall notify both the insurance carrier and the State Employees' Retirement Board.

(c) If the survivor-spouse of the annuitant elects to continue insurance coverage and makes the [annual] installment payment or deficiency payment, or both, insurance coverage will continue [for twelve (12) months, during which] in force with the Commonwealth's fiscal officer [will redetermine the] redetermining new rates RATE ADJUSTMENTS annually and any

required [annual] deficiency amount [and]. The Commonwealth's fiscal officer shall notify the survivor-spouse of the annuitant

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1 of the amount required to assure continued coverage. This
2 notification shall take place at least thirty (30) days prior to
3 the [anniversary] date of the [election by the survivor-spouse
4 of the annuitant to pay for insurance coverage.] proposed rate
5 change.

6 Section 2. Section 16 of the act of August 14, 1991
7 (P.L.331, No.35), entitled "An act amending the act of April 9,
8 1929 (P.L.177, No.175), entitled 'An act providing for and
9 reorganizing the conduct of the executive and administrative
10 work of the Commonwealth by the Executive Department thereof and
11 the administrative departments, boards, commissions, and
12 officers thereof, including the boards of trustees of State
13 Normal Schools, or Teachers Colleges; abolishing, creating,
14 reorganizing or authorizing the reorganization of certain
15 administrative departments, boards, and commissions; defining
16 the powers and duties of the Governor and other executive and
17 administrative officers, and of the several administrative
18 departments, boards, commissions, and officers; fixing the
19 salaries of the Governor, Lieutenant Governor, and certain other
20 executive and administrative officers; providing for the
21 appointment of certain administrative officers, and of all
22 deputies and other assistants and employes in certain
23 departments, boards, and commissions; and prescribing the manner
24 in which the number and compensation of the deputies and all
25 other assistants and employes of certain departments, boards and
26 commissions shall be determined,' further providing for
27 membership of the board of The Pennsylvania Industrial
28 Development Authority, for crime victims' compensation and
29 assistance and for the rights of crime victims; providing for
30 the continuation of medical insurance coverage for survivor-

1 spouse annuitants; providing for costs for offender supervision
2 programs and for the deposit of certain surplus; further
3 providing for the submission of agency budget requests to the
4 General Assembly and for control of the budgeting processes by
5 the General Assembly; providing for electronic access to certain
6 information provided by the Governor; authorizing the Department
7 of Environmental Resources to indemnify and hold harmless
8 PermaGrain Products, Inc. from and against certain damages
9 related to personal injury and property damage at Quehanna,
10 Pennsylvania; permitting the drilling of water wells on State
11 lands under certain conditions; further providing for municipal
12 notices relating to certain permits issued by the Department of
13 Environmental Resources; and providing for the expiration of the
14 health-care facilities' certificate of need process," is
15 repealed.

16 Section 3. This act shall take effect immediately.