

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1291

Session of
1987

INTRODUCED BY COLAFELLA, COWELL, FISCHER, PISTELLA, BOYES,
KUKOVICH, CAWLEY, STUBAN, MRKONIC, J. L. WRIGHT, DOMBROWSKI,
PUNT, FOX, HAYDEN, LESCOVITZ, MILLER, YANDRISEVITS, JACKSON,
NOYE, TRELLO, VEON, BUNT, HALUSKA, PHILLIPS, SEMMEL,
E. Z. TAYLOR, HERMAN, STABACK, MICOZZIE, KOSINSKI, BELFANTI,
TIGUE, KENNEY, JOHNSON, DALEY, RAYMOND, McVERRY, MELIO,
KASUNIC, MORRIS AND CALTAGIRONE, MAY 4, 1987

AS REPORTED FROM COMMITTEE ON EDUCATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, OCTOBER 6, 1987

AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated
2 Statutes, providing for eligibility, notification and payment
3 for medical insurance.

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

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

8 § 8313. Eligibility for medical insurance contributions.

9 ~~An annuitant who has attained superannuation or has 25 years~~ <—
10 ~~of credited service, or a disability annuitant, shall be~~
11 ~~eligible to receive contributions by the Commonwealth to fully~~
12 ~~pay medical, major medical and hospitalization insurance~~
13 ~~coverage if the annuitant has elected coverage in accordance~~
14 ~~with section 8505(i) (relating to duties of board regarding~~
15 ~~applications and elections of members).~~

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1 AN ANNUITANT SHALL BE ELIGIBLE TO RECEIVE CONTRIBUTIONS BY
2 THE COMMONWEALTH TOWARD PAYMENT OF AN AMOUNT EQUAL TO THE COST
3 OF A MEDICARE SUPPLEMENT, MAJOR MEDICAL AND HOSPITALIZATION
4 INSURANCE COVERAGE IN ACCORDANCE WITH SECTION 8505(I) (RELATING
5 TO DUTIES OF BOARD REGARDING APPLICATIONS AND ELECTIONS OF
6 MEMBERS) IF THE ANNUITANT IS:

7 (1) A SUPERANNUATION ANNUITANT;

8 (2) AN ANNUITANT WITH 25 OR MORE YEARS OF CREDITED
9 SERVICE; OR

10 (3) A DISABILITY ANNUITANT.

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

13 § 8326. Contributions by the Commonwealth.

14 * * *

15 (c) Contributions for medical insurance coverage.--The
16 Commonwealth shall make contributions to the fund on behalf of
17 all annuitants eligible to receive medical insurance
18 contributions in accordance with section 8313 (relating to
19 eligibility for medical insurance contributions) in an amount
20 certified by the board as necessary to fund the additional
21 liabilities for payments on behalf of annuitants in accordance
22 with section 8505(i) (relating to duties of board regarding
23 applications and elections of members). IN THE CASE OF AN
24 INSURANCE CARRIER OTHER THAN CAPITAL BLUE CROSS/BLUE SHIELD 65
25 SPECIAL, THE COMMONWEALTH CONTRIBUTION SHALL BE AT A PEGGED RATE
26 APPROVED BY THE BOARD.

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27 Section 3. Section 8505(i) of Title 24 is amended to read:

28 § 8505. Duties of board regarding applications and elections of
29 members.

30 * * *

1 (i) Medical insurance coverage.--Upon receipt of
2 notification from an insurance carrier approved by the board
3 that an annuitant who has [attained [age 65] ~~superannuation~~ has <—
4 elected medical, major medical[,], and hospitalization insurance <—
5 coverage, the board shall deduct, ~~in equal monthly installments~~ <—
6 from the annuity payments, the appropriate annual charges [in <—
7 equal monthly installments] ~~less any Commonwealth contributions~~ <—
8 ~~for medical insurance coverage on behalf of the annuitant~~. Such
9 deductions shall be transmitted to the insurance carrier.] ~~On~~ <—
10 ~~behalf of each annuitant eligible in accordance with section~~
11 ~~8313 (relating to eligibility for medical insurance~~
12 ~~contributions), the board shall receive contributions from the~~
13 ~~Commonwealth and fully pay the appropriate charges to the~~
14 ~~insurance carrier. QUALIFIED UNDER SECTION 8313 (RELATING TO~~ <—
15 ~~ELIGIBILITY FOR MEDICAL INSURANCE CONTRIBUTIONS) AND HAS ELECTED~~
16 ~~MEDICAL, MAJOR MEDICAL AND HOSPITALIZATION INSURANCE COVERAGE,~~
17 ~~THE BOARD SHALL RECEIVE CONTRIBUTIONS FROM THE COMMONWEALTH AND~~
18 ~~PAY THE APPROPRIATE ANNUAL CHARGES FOR SUCH COVERAGE ON BEHALF~~
19 ~~OF THE ANNUITANT.~~

20 * * *

21 Section 4. This act shall take effect July 1, 1987, or
22 immediately, whichever is later.