

FEB 1 4 2011

February 14, 2011

TO:

All Senators

FROM:

Senator Robert D. Robbins

SUBJECT:

Invitation for Co-Sponsorship

Second Class Townships - Supplemental Medicare Insurance

In the near future I will be re-introducing legislation that would amend the Second Class Township Code, to allow townships to provide township supervisors and employees who are over the age of 65 with supplemental Medicare insurance coverage.

Township supervisors and employees cannot be part of the Medicare program when a group medical program is provided. By amending the code, a township would be allowed to provide reimbursement for the supplemental insurance -- in place of the group medical program -- resulting in a significant cost savings for the taxpayers.

For example, a township in my district pays a monthly premium of \$1,498.29 for a township employee -- with spousal coverage -- who qualifies for Medicare coverage. This equates to annual cost of \$17,979.49. Current premiums for Medicare Part B, a Medicare supplemental plan and a prescription plan range from \$225-\$300 per person per month. Based on this example, my proposal would save the townships almost \$11,000 annually for this one employee.

The Pennsylvania State Association of Township Supervisors supports this legislation.

This legislation will be the same as SB 1168 of the 2009-10 Legislative Session. Previous cosponsors were Browne, Brubaker, Greenleaf, Tartaglione, Ward and Yaw.

If you wish to join me in co-sponsoring this legislation, please contact my office at 787-1322 or email Chris Yniguez at cyniguez@pasen.gov.