

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 804 Session of
1991

INTRODUCED BY WAMBACH, PICCOLA, NAILOR, CAWLEY, McCALL, PESCI,
ALLEN, TRELLO, STISH, OLASZ, ITKIN, KASUNIC, HESS, STURLA,
COWELL, STUBAN, JAROLIN, HERMAN, COY, STEIGHNER, CARLSON,
PETRARCA, VROON, CAPPABIANCA, STABACK, BUNT, REBER, PISTELLA,
BELFANTI, MERRY, STEELMAN, SCHEETZ, BELARDI, HALUSKA, CLARK,
VEON, NAHILL, GANNON, HANNA, JOSEPHS, BILLOW, JOHNSON,
BATTISTO, FEE, E. Z. TAYLOR, MELIO, NOYE, FARMER, KOSINSKI,
RICHARDSON, LAUGHLIN, FARGO AND KRUSZEWSKI, MARCH 18, 1991

REFERRED TO COMMITTEE ON INSURANCE, MARCH 18, 1991

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," providing for the
21 continuation of medical insurance coverage for survivor-
22 spouse annuitants.

23 The General Assembly of the Commonwealth of Pennsylvania

24 hereby enacts as follows:

25 Section 1. The act of April 9, 1929 (P.L.177, No.175), known

as The Administrative Code of 1929, is amended by adding a section to read:

Section 529. Medical Insurance Coverage For Survivor-Spouses of Annuitants.--(a) A survivor-spouse of an annuitant under the State Employees' Retirement System who had elected to convert medical, major medical and hospitalization insurance coverage shall have the option to continue such insurance coverage. The State Employees' Retirement Board, upon receipt of the election by the survivor-spouse of the annuitant to continue such insurance coverage, shall notify the insurance carrier of the election and deduct the appropriate annual charges in equal monthly installments. Such deductions shall be transmitted to the designated fiscal officer of the Commonwealth having jurisdiction over the payment of such group charges on behalf of the annuitant or the survivor-spouse.

(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. 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.

1 (c) If the survivor-spouse of the annuitant elects to
2 continue insurance coverage and makes the annual deficiency
3 payment, insurance coverage will continue for twelve (12)
4 months, during which the Commonwealth's fiscal officer will
5 redetermine the required annual deficiency amount and notify the
6 survivor-spouse of the annuitant of the amount required to
7 assure continued coverage. This notification shall take place at
8 least thirty (30) days prior to the anniversary date of the
9 election by the survivor-spouse of the annuitant to pay for
10 insurance coverage.

11 Section 2. This act shall apply to all survivor-spouses of
12 annuitants who attain such status subsequent to the effective
13 date of this act.

14 Section 3. This act shall take effect in 60 days.