

# ALASKA STATE LEGISLATURE



REPRESENTATIVE ANDY JOSEPHSON

## **CSHB 23 (FIN) am Ver U.A Survivors' Medical Benefits – Sectional Analysis**

### **Section 1.**

**Sec. 39.60.005.** Establishes that the state and municipalities shall pay medical insurance premiums for the surviving dependents of eligible peace officers and firefighters.

**Sec. 39.60.010. Peace officer and firefighter survivors' fund established.** Establishes a peace officer and firefighter survivors' fund in the Department of Public Safety to pay the medical insurance premiums on behalf of eligible survivors of a peace officer or firefighter. Premium payments are made to the deceased's former employer-sponsored medical insurance provider. The fund consists of donations and other money appropriated to the fund.

The legislature may make appropriations to the fund. The funds do not lapse. Money appropriated to the fund may be spent for the purposes of the fund without further appropriation.

**Sec. 39.60.020. Powers and duties of the commissioner.** The commissioner of Public Safety annually determines the amount of money needed to pay premiums for eligible survivors and associated administrative costs. The commissioner shall adopt regulations to implement the chapter.

**Sec. 39.60.030. Payment authorized.** The commissioner may use money in the fund's state account to pay medical insurance premiums for eligible survivors of a state employee, 50 percent of the premium for a surviving dependent of an employee of a small municipality, and for administrative costs.

**Sec. 39.60.040. Eligibility of surviving dependents of peace officers and firefighters for medical insurance premiums.** A surviving dependent of a deceased peace officer or firefighter may apply to the Department of Public Safety commissioner for payment of their medical insurance premiums. The survivor is eligible for premium payments if, at the time of death, the deceased was a full-time employee; the survivor was receiving employer-sponsored medical insurance benefits; the proximate cause of death was a bodily injury or hazard incurred while in the performance and within the scope of the employee's duties; and the injury or hazard was not the proximate result of wilful negligence by the employee.

A surviving spouse becomes ineligible for payments from the fund when the spouse becomes eligible for major medical insurance coverage by other means or is eligible for Medicare, whichever comes first. Except for a child who is totally and permanently disabled, a dependent child becomes

ineligible when they become eligible for major medical insurance coverage by other means or reaches 26 years of age, whichever comes first.

The commissioner shall pay the premium for the level of medical coverage that applied at the time of the employee's death. Payments are made to the applicable employer medical insurance provider.

Municipalities with populations of 10,000 or more shall pay the full premium for eligible dependents of municipal peace officers and firefighters. For small municipalities with populations less than 10,000, the commissioner shall pay 50 percent of the premiums, and the municipality pays the other half.

**Sec. 39.60.190. Definitions.**

The definitions include a definition of "peace officer" that means a peace officer, chief of police, regional public safety officer, correctional officer, correctional superintendent, or probation officer.

A "firefighter" is defined an employee occupying a position as a firefighter or fire chief.

A "small municipality" means a municipality with a population of less than 10,000.

**Sections 2 to 5.** Amends AS 43.23.062 to add the peace officer and firefighter survivors' fund as an organization included in the Permanent Fund contribution list.

**Section 6.** Amends AS 44.41.020 to add that the Department of Public Safety shall manage the peace officer and firefighter survivors' fund in cooperation with the Department of Administration. The Department of Public Safety shall establish standardized forms for use in administering the fund.

**Section 7.** Transition: Regulations. The commissioner of public safety may adopt regulations to implement the Act.

**Section 8.** Section 7 takes effect immediately.

**Section 9.** Other than section 8, the Act takes effect July 1, 2017.