

ALASKA STATE LEGISLATURE



REPRESENTATIVE ANDY JOSEPHSON

CSHB 23 (FIN) am Ver U.A Survivors' Medical Benefits – Explanation of Changes

As originally introduced, HB 23 mirrored the original version of HB 4002 from 2016 that used PERS to address survivors' benefits. In 2016, during the legislature's fourth special session, Governor Walker submitted HB 4002 that provided major medical benefits to the eligible survivors of peace officers and firefighters whose deaths occurred while in the performance of their duties. The legislation applied to employees who were members of the state Public Employee Retirement System (PERS) and to employees working for municipalities that participate in PERS. The legislation did not pass by the end of the session. Following the final legislative session of the 29th legislature, the administration convened an inter-agency working group to address issues raised during the 2016 session and to develop a new approach.

CSHB 23 am (FIN) substantively changes the original proposal in HB 23. The new proposal is based on the concepts developed by the administration's working group over the interim. The bill establishes a peace officer and firefighter survivors' fund in the Department of Public Safety. Appropriations and donations to the fund will be used to pay the medical insurance premiums for eligible survivors. The state will pay the premiums for survivors of state employees, and municipalities will pay the premiums for their employees. The state will pay 50 percent of the premiums for municipalities with a population less than 10,000. Premium payments are made to the deceased's former employer-sponsored medical insurance provider at the level of coverage the employee was receiving at the time of death.

The final Finance Committee substitute added correctional officers, correctional superintendents, and probation officers as employees who may be eligible for coverage as provided in the legislation. The bill was also amended to allow donations to the fund through the Permanent Fund Dividend application process.