

**HOUSE BILL NO. 380**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVES JAMES, Hayes, Hudson, Stevens, Crawford**

**Introduced: 2/4/02**

**Referred: State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to reimbursement for certain Medicare premium charges for persons**  
2 **receiving benefits from the teachers' retirement system, the judicial retirement system,**  
3 **the elected public officers retirement system, and the public employees' retirement**  
4 **system."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 **\* Section 1.** AS 14.25.168(b) is amended to read:

7 (b) After an election of coverage under this section, major medical insurance  
8 coverage takes effect on the same date as retirement benefits begin and stops when the  
9 member or survivor is no longer eligible to receive a monthly benefit. The coverage  
10 for persons age 65 or older is the same as that available for persons under age 65.  
11 The benefits payable to those persons age 65 or older supplement any benefits  
12 provided under the federal old age, survivors and disability insurance program. The  
13 medical premium and optional insurance premiums owed by a member or survivor  
14 shall be deducted from the benefit owed to the member or survivor before payment of

1 the benefit. A person who is at least 65 years of age and who is receiving a  
 2 monthly benefit under the system shall be reimbursed annually for the premium  
 3 charges the person has paid for Part B of the federal Medicare program covering  
 4 the person. The administrator may, by regulation, prescribe application  
 5 procedures for reimbursement and a reimbursement schedule. The  
 6 administrator shall provide for an annual actuarial review to determine the  
 7 difference in the cost to the system of premiums paid for major medical  
 8 insurance coverage for covered persons who are under 65 years of age and those  
 9 who are age 65 and older. The amount of the difference may be used to provide  
 10 the reimbursement for premiums for Medicare Part B coverage by this  
 11 subsection.

12 \* Sec. 2. AS 22.25.090(b) is amended to read:

13 (b) Except as provided in (d) of this section, major medical insurance  
 14 coverage takes effect on the same date as retirement benefits begin and stops when the  
 15 retired person or survivor is no longer eligible to receive a monthly benefit. The  
 16 coverage for persons age 65 or older is the same as that available for persons under 65  
 17 years of age. The benefits payable to those persons age 65 or older supplement any  
 18 benefits provided under the federal old age, survivors, and disability insurance  
 19 program. The medical premium and optional insurance premiums owed by a retired  
 20 person or survivor shall be deducted from the benefit payable to the retired person or  
 21 survivor before payment of the benefit. A person who is at least 65 years old and  
 22 who is receiving a monthly benefit under the system shall be reimbursed annually  
 23 for the premium charges the person has paid for Part B of the federal Medicare  
 24 program covering the person. The administrator may, by regulation, prescribe  
 25 application procedures for reimbursement and a reimbursement schedule. The  
 26 administrator shall provide for an annual actuarial review to determine the  
 27 difference in the cost to the system of premiums paid for major medical  
 28 insurance coverage for covered persons who are under 65 years of age and those  
 29 who are age 65 and older. The amount of the difference may be used to provide  
 30 the reimbursement for premiums for Medicare Part B coverage by this  
 31 subsection.

1 \* **Sec. 3.** AS 39.35.535(b) is amended to read:

2 (b) Except as provided in (d) of this section, after an election of coverage  
 3 under this section, major medical insurance coverage takes effect on the same date that  
 4 benefits begin [,] and stops when the member or survivor is no longer eligible to  
 5 receive a monthly benefit. The coverage for persons age 65 or older is the same  
 6 coverage available for a person under 65 years of age. The benefits payable to persons  
 7 age 65 or older supplement any benefits provided under the federal old age, survivors  
 8 and disability insurance program. The medical premium and optional insurance  
 9 premiums owed by a member or survivor shall be deducted from the benefit owed to  
 10 the member or survivor before payment of the benefit.. **A person who is at least 65**  
 11 **years old and who is receiving a monthly benefit under the system shall be**  
 12 **reimbursed annually for the premium charges the person has paid for Part B of**  
 13 **the federal Medicare program covering the person. The administrator may, by**  
 14 **regulation, prescribe application procedures for reimbursement and a**  
 15 **reimbursement schedule. The administrator shall provide for an annual**  
 16 **actuarial review to determine the difference in the cost to the system of premiums**  
 17 **paid for major medical insurance coverage for covered persons who are under 65**  
 18 **years of age and those who are age 65 and older. The amount of the difference**  
 19 **may be used to provide the reimbursement for premiums for Medicare Part B**  
 20 **coverage by this subsection.**

21 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
 22 read:

23 MEDICARE REIMBURSEMENT FOR CERTAIN BENEFICIARIES UNDER THE  
 24 ELECTED PUBLIC OFFICERS RETIREMENT SYSTEM. Notwithstanding former  
 25 AS 39.37.145, a person who is at least 65 years old and who is receiving a monthly benefit  
 26 under the elected public officers retirement system shall be reimbursed annually for the  
 27 premium charges the person has paid for Part B of the federal Medicare program covering the  
 28 person. The administrator may, by regulation, prescribe application procedures for  
 29 reimbursement and a reimbursement schedule. The administrator shall provide for an annual  
 30 actuarial review to determine the difference in the cost to the system of premiums paid for  
 31 major medical insurance coverage for covered persons who are under 65 years of age and

- 1 those who are age 65 and older. The amount of the difference may be used to provide the
- 2 reimbursement for premiums for Medicare Part B coverage by this section.