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Referred: State Affairs,
Health, Education and
Social Services and
Finance

1 IN THE SENATE

BY ELIASON

2 SENATE BILL NO. 568

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing participation by the American
7 Legion, Department of Alaska, Inc., and the Department
8 of Alaska Veterans of Foreign Wars of the United
9 States in group insurance policies and in the public
10 employees' retirement system."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 * Section 1. AS 39.30.090 is amended to read:

13 Sec. 39.30.090. PROCUREMENT OF GROUP INSURANCE. The Department
14 of Administration may obtain a policy or policies of group insurance
15 covering state employees and employees of other participating employers
16 [GOVERNMENTAL UNITS] subject to the following conditions:

17 (1) A group insurance policy shall provide one or more of
18 the following benefits: life insurance, accidental death and dismember-
19 ment insurance, weekly indemnity insurance, hospital expense insurance,
20 surgical expense insurance, dental expense insurance, audio-visual
21 insurance, or other medical care insurance.

22 (2) Each eligible employee of the state, his spouse and his
23 unmarried children chiefly dependent on him for support and each eli-
24 gible employee of another participating employer [GOVERNMENTAL UNIT]
25 shall be covered by the group policy, unless exempt under regulations
26 adopted by the commissioner of administration.

27 (3) An employer other than the state [A GOVERNMENTAL UNIT]
28 may participate under a group policy if

29 (A) its governing body adopts a resolution authorizing

1 participation, and payment of required premiums;

2 (B) a certified copy of the resolution is filed with
3 the Department of Administration; and

4 (C) the commissioner of administration approves the
5 participation in writing.

6 (4) (repealed)

7 (5) (repealed)

8 (6) The Department of Administration shall obtain the in-
9 surance policy from any insurer authorized to transact business in the
10 state under AS 21.09 and AS 21.90.

11 (7) The Department of Administration shall make available
12 bid specifications for desired insurance benefits to all insurance
13 carriers licensed in the state and qualified to provide the desired
14 benefits. The specifications shall be made available on or before
15 July 1, 1965, and at least once every succeeding five years. The
16 lowest responsible bid submitted by an insurance carrier with adequate
17 servicing facilities shall govern selection of a carrier under this
18 section.

19 (8) If the aggregate of dividends payable under the group
20 insurance policy exceeds the employer's [GOVERNMENTAL UNIT'S] share of
21 the premium, the excess shall be applied by the employer [GOVERNMENTAL
22 UNIT] for the sole benefit of the employees.

23 (9) A person receiving benefits under AS 14.25.110, AS 22.25
24 or AS 39.35 who is not 65 years of age may obtain major medical and
25 life insurance under this section for himself and any dependents who
26 have not reached the age of 65 years.

27 (10) A person receiving benefits under AS 14.25.110, AS 22.25
28 or AS 39.35 who is 65 years of age or older but who has dependents who
29 are under 65 may obtain major medical insurance for these dependents

1 under this section.

2 (11) A person receiving benefits under AS 14.25.110, AS 22.25
3 or AS 39.35 may obtain major medical and prescription drug insurance
4 under this section for himself and any dependents to cover costs which
5 are not covered by the federal old age, survivors, [SURVIVOR'S] and
6 disability insurance program.

7 (12) A person electing to have insurance under (9), (10), or
8 (11) of this section shall pay the cost of this insurance.

9 (13) No person may elect for coverage under (9), (10) or (11)
10 of this section unless he was or is presently eligible for coverage
11 under this section.

12 (14) For each permanent part-time employee electing coverage
13 under this section, the state shall contribute one-half the state con-
14 tribution rate for permanent full-time state employees, and the perma-
15 nent part-time employee shall contribute the other one-half.

16 (15) A person receiving benefits under AS 14.25 or AS 39.35
17 may obtain auditory, visual, and dental insurance for himself under
18 this section. The level of coverage for persons over 65 shall be the
19 same as that available before reaching age 65 except that the benefits
20 payable shall be supplemental to those afforded under the federal old
21 age, survivors, and disability insurance program, if any. A person
22 electing to have insurance under this paragraph shall pay the cost of
23 the insurance. The commissioner of administration shall adopt regula-
24 tions implementing this paragraph.

25 * Sec. 2. AS 39.30.100(1)(A) is amended to read:

26 (A) an employee who has served in permanent full-time
27 or part-time employment with the same employer [GOVERNMENTAL UNIT]
28 for 30 days or more, except an emergency or temporary employee,
29 [,] and

1 * Sec. 3. AS 39.30.100 is amended by adding a new paragraph to read:

2 (4) "employer" means a governmental unit, the American
3 Legion, Department of Alaska, Inc., and the Department of Alaska
4 Veterans of Foreign Wars of the United States.

5 * Sec. 4. AS 39.35 is amended by adding a new section to read:

6 Sec. 39.35.152. AMERICAN LEGION, DEPARTMENT OF ALASKA, INC., AND
7 THE DEPARTMENT OF ALASKA VETERANS OF FOREIGN WARS OF THE UNITED STATES
8 EMPLOYEES. Employees of the American Legion, Department of Alaska,
9 Inc., and the Department of Alaska Veterans of Foreign Wars of the
10 United States are included in the system if the American Legion, Depart-
11 ment of Alaska, Inc., and the Department of Alaska Veterans of Foreign
12 Wars of the United States pay the employer's contributions for their
13 respective employees. If the employer's contributions are not paid
14 when due, credited service for the period of delinquency may not be
15 granted until the contributions are paid.

16 * Sec. 5. AS 39.35.680(17) is amended to read:

17 (17) "employer" means

18 (A) the State of Alaska;

19 (B) [OR] a political subdivision or public organization
20 of the state which participates in the system;

21 (C) any other organization which participates in the
22 system under authority expressly granted in this chapter;