

Offered: 3/7/84  
Referred: Finance

Original sponsor: Shultz

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR HOUSE BILL NO. 535 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 THIRTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to the purchase of group life insur-  
7 ance by former state employees and others."

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

9 \* Section 1. AS 39.30.090 is amended to read:

10 Sec. 39.30.090. PROCUREMENT OF GROUP INSURANCE. The Department  
11 of Administration may obtain a policy or policies of group insurance  
12 covering state employees, persons entitled to coverage under AS 14.-  
13 25.168, AS 22.25.090, AS 39.35.535 or former AS 39.37.145, or employ-  
14 ees of other participating governmental units, subject to the follow-  
15 ing conditions:

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

21 (2) Each eligible employee of the state, the spouse and the  
22 unmarried children chiefly dependent on the eligible employee for  
23 support, and each eligible employee of another participating govern-  
24 mental unit shall be covered by the group policy, unless exempt under  
25 regulations adopted by the commissioner of administration.

26 (3) A governmental unit may participate under a group  
27 policy if

28 (A) its governing body adopts a resolution authorizing  
29 participation, and payment of required premiums;

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

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

5 [(4) Repealed

6 (5) Repealed]

7 (4) [(6)] The Department of Administration shall obtain the  
8 insurance policy from any insurer authorized to transact business in  
9 the state under AS 21.09 and AS 21.90.

10 (5) [(7)] The Department of Administration shall make  
11 available bid specifications for desired insurance benefits to all  
12 insurance carriers licensed in the state and qualified to provide the  
13 desired benefits. The specifications shall be made available on or  
14 before July 1, 1965, and at least once every succeeding five years.  
15 The lowest responsible bid submitted by an insurance carrier with  
16 adequate servicing facilities shall govern selection of a carrier  
17 under this section.

18 (6) [(8)] If the aggregate of dividends payable under the  
19 group insurance policy exceeds the governmental unit's share of the  
20 premium, the excess shall be applied by the governmental unit for the  
21 sole benefit of the employees.

22 (7) [(9)] A person receiving benefits under AS 14.25.110,  
23 AS 22.25, AS 39.35, or former AS 39.37 [WHO IS NOT 65 YEARS OF AGE]  
24 may continue the life insurance coverage that was in effect under this  
25 section at the time of termination of employment with the state or  
26 participating governmental unit.

27 [(10) Repealed

28 (11) Repealed]

29 (8) [(12)] A person electing to have insurance under (7)

1           [(9)] of this section shall pay the cost of this insurance.

2                   [(13) Repealed]

3                   (9) [(14)] For each permanent part-time employee electing  
4 coverage under this section, the state shall contribute one-half the  
5 state contribution rate for permanent full-time state employees, and  
6 the permanent part-time employee shall contribute the other one-half.

7                   (10) [(15)] A person receiving benefits under AS 14.25,  
8 AS 22.25, AS 39.35, or former AS 39.37 may obtain auditory, visual,  
9 and dental insurance for that person and eligible dependents under  
10 this section. The level of coverage for persons over 65 shall be the  
11 same as that available before reaching age 65 except that the benefits  
12 payable shall be supplemental to any benefits provided under the  
13 federal old age, survivors, and disability insurance program. A  
14 person electing to have insurance under this paragraph shall pay the  
15 cost of the insurance. The commissioner of administration shall adopt  
16 regulations implementing this paragraph.

17       \* Sec. 2. LIMITED ENROLLMENT PERIOD. A person who, before the  
18 effective date of this Act, was ineligible to continue life insurance  
19 coverage under AS 39.30.090 because the person was 65 years of age or  
20 older, or whose coverage under AS 39.30.090 was terminated because the  
21 person reached age 65 before the effective date of this Act, is entitled to  
22 enroll for coverage under AS 39.30.090 if the person applies for enrollment  
23 within one year after the effective date of this Act.