

Introduced: 1/23/90
Referred: HESS, State Affairs and Finance

6-1630E

BY SEN. FAHRENKAMP

1 IN THE SENATE

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 394

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to eligibility to participate in the
7 state group insurance for certain licensees in voca-
8 tional rehabilitation programs."

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

10 * Section 1. AS 23.15 is amended by adding a new section to read:

11 Sec. 23.15.136. GROUP INSURANCE FOR CERTAIN LICENSEES. The
12 agency shall purchase group insurance coverage under AS 39.30.090 for
13 licensees holding current operating agreements. The employer share of
14 the insurance premium shall be paid from the vocational rehabilitation
15 small business enterprise revolving fund.

16 * Sec. 2. AS 39.30.090(a) is amended to read:

17 (a) The Department of Administration may obtain a policy or
18 policies of group insurance covering state employees, persons entitled
19 to coverage under AS 14.25.168, AS 22.25.090, AS 39.35.535 or former
20 AS 39.37.145, [OR] employees of other participating governmental
21 units, or persons entitled to coverage under AS 23.15.136, subject to
22 the following conditions:

23 (1) A group insurance policy shall provide one or more of
24 the following benefits: life insurance, accidental death and dismem-
25 berment insurance, weekly indemnity insurance, hospital expense insur-
26 ance, surgical expense insurance, dental expense insurance, audio-
27 visual insurance, or other medical care insurance.

28 (2) Each eligible employee of the state, the spouse and the
29 unmarried children chiefly dependent on the eligible employee for

1 support, and each eligible employee of another participating govern-
2 mental unit shall be covered by the group policy, unless exempt under
3 regulations adopted by the commissioner of administration.

4 (3) A governmental unit may participate under a group
5 policy if

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

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

10 (C) the commissioner of administration approves the
11 participation in writing.

12 (4) The Department of Administration shall obtain the
13 insurance policy from any insurer authorized to transact business in
14 the state under AS 21.09 and AS 21.90.

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

23 (6) If the aggregate of dividends payable under the group
24 insurance policy exceeds the governmental unit's share of the premium,
25 the excess shall be applied by the governmental unit for the sole
26 benefit of the employees.

27 (7) A person receiving benefits under AS 14.25.110,
28 AS 22.25, AS 39.35, or former AS 39.37 may continue the life insurance
29 coverage that was in effect under this section at the time of

1 termination of employment with the state or participating governmental
2 unit.

3 (8) A person electing to have insurance under (7) of this
4 subsection shall pay the cost of this insurance.

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

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

19 (11) A person receiving benefits under AS 14.25, AS 22.25,
20 AS 39.35, or former AS 39.37 may obtain long-term care insurance for
21 that person and eligible dependents under this section. A person who
22 elects insurance under this paragraph shall pay the cost of the insur-
23 ance premium. The commissioner of administration shall adopt regula-
24 tions to implement this paragraph.

25 (12) Each licensee holding a current operating agreement for
26 a vending facility under AS 23.15.010 - 23.15.210 shall be covered by
27 the group policy that applies to governmental units other than the
28 state.