

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

A Bill

DRAFT ANS/ANS
HOUSE BILL

5 By: Representative <NA>
6

For An Act To Be Entitled

8 AN ACT TO CLARIFY THE ELIGIBILITY OF CERTAIN RETIREES
9 TO CONTINUE COVERAGE IN THE STATE AND PUBLIC SCHOOL
10 LIFE AND HEALTH INSURANCE PROGRAM; AND FOR OTHER
11 PURPOSES.
12
13

Subtitle

14 TO CLARIFY THE ELIGIBILITY OF CERTAIN
15 RETIREES TO CONTINUE COVERAGE IN THE
16 STATE AND PUBLIC SCHOOL LIFE AND HEALTH
17 INSURANCE PROGRAM.
18
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 21-5-411(a)(2)(B), concerning the
24 eligibility of certain retirees to participate in the State and Public School
25 Life and Health Insurance Program, is amended to read as follows:

26 (B)(i) To be eligible to continue coverage or to qualify
27 for coverage after electing to decline participation in the program, the
28 retiree must have been ~~eligible for coverage~~ covered on the last day of the
29 retiree's employment.

30 (ii) If a retiree declines to participate in the
31 program at the time of retirement ~~due to other health insurance coverage that~~
32 ~~is not an accident only, specified disease, or other limited benefit policy~~
33 because the retiree is already covered under another employer-sponsored group
34 health insurance policy, the retiree may make a one-time election to
35 participate in the program with proof of continued insurance coverage ~~if the~~
36 ~~retiree experiences a qualifying event or~~ at the time of open enrollment or

DRAFT

1 if the retiree experiences a qualifying event.

2 ~~(iii) The State and Public School Life and Health~~
 3 ~~Insurance Board may allocate available subsidies to cover the retirees~~
 4 ~~participating in the program.~~

5
 6 SECTION 2. Arkansas Code § 21-5-411(a)(3)(C)(ii), concerning
 7 participation of certain retirees in the State and Public School Life and
 8 Health Insurance Program, is amended to read as follows:

9 (ii) If an inactive retiree as described in
 10 subdivision (a)(3)(B) of this section ~~declining~~ declines participation in the
 11 program ~~specifies in writing that the reason for the declination is that~~
 12 because the inactive retiree has health insurance coverage through another
 13 employer-sponsored group health plan and the inactive retiree's coverage is
 14 subsequently terminated because of a loss of eligibility, then the inactive
 15 retiree and any dependents shall qualify for participation in the program if
 16 within thirty-one (31) days of the inactive retiree's involuntary loss of
 17 coverage, the inactive retiree submits to the board:

18 (a) ~~upon payment~~ Payment of the appropriate
 19 premium as established by the board, ~~provided the inactive retiree applies~~
 20 ~~for program participation within thirty-one (31) days of the loss of~~
 21 ~~eligibility; and~~

22 (b) Proof that until the inactive retiree's
 23 involuntary loss of coverage through another employer-sponsored group health
 24 plan, the coverage had been continuous.

25
 26 SECTION 3. Arkansas Code § 21-5-411(d), concerning the eligibility of
 27 a dependent of certain retirees to participate in the State and Public School
 28 Life and Health Insurance Program, is amended to read as follows:

29 (d)(1) ~~Any future change in program participation other than~~
 30 ~~cancellation shall be extended only to newly acquired dependents, except that~~
 31 ~~if an active or inactive retiree declined dependent coverage at the time of~~
 32 ~~election to be an active or inactive retiree and specified in writing that~~
 33 ~~the reason for the declination was that the dependent had other coverage, and~~
 34 ~~if subsequently the dependent involuntarily loses such coverage, except for~~
 35 ~~fraud or voluntary cessation of premium payment while the active or inactive~~
 36 ~~retiree is covered by a plan option offered under the program, then the~~

1 ~~dependent may be added within thirty one (31) days of the involuntary~~
 2 ~~termination to the active or inactive retiree's health insurance coverage for~~
 3 ~~payment of the appropriate premium as established by the board~~ Except as
 4 provided in subdivision (d)(2) of this section, any future change in program
 5 participation other than cancellation shall be allowed only for newly
 6 acquired dependents.

7 (2) A dependent may be added to an active or inactive retiree's
 8 health insurance coverage by payment of the appropriate premium as
 9 established by the board if:

10 (A) The active or inactive retiree declined health
 11 insurance coverage for the dependent at the time of election to be an active
 12 or inactive retiree because the dependent had other employer-sponsored group
 13 health insurance coverage;

14 (B) Subsequent to the active or inactive retiree's
 15 declination of health insurance coverage for the dependent under subdivision
 16 (d)(2)(A) of this section, the dependent involuntarily lost his or her
 17 employer-sponsored group health insurance coverage and the loss of health
 18 insurance coverage was not the result of:

19 (i) Fraud; or

20 (ii) Voluntary cessation of premium payment while
 21 the active or inactive retiree was covered by a plan option offered under the
 22 program; and

23 (C) Within thirty-one (31) days of a dependent's
 24 involuntary loss of health insurance coverage under subdivision (d)(2)(B) of
 25 this section, the active or inactive retiree submits to the board proof that:

26 (i) The dependent involuntarily lost health
 27 insurance coverage; and

28 (ii) Until the dependent's loss of health insurance
 29 coverage, the coverage had been continuous.