

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Miles**

A Bill

SENATE BILL 427

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7 **For An Act To Be Entitled**

8 "AN ACT TO AUTHORIZE MUNICIPAL EMPLOYEES TO RETAIN GROUP
9 HOSPITALIZATION INSURANCE UPON RETIREMENT; AND FOR OTHER
10 PURPOSES."

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12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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14 SECTION 1. (a) Each municipality in the State of Arkansas, maintaining
15 or adopting a plan of group hospitalization insurance, shall make arrangements
16 with the individual carriers (insuring agencies) for retiring employees and
17 *their dependents to be offered coverage by requiring the insuring agencies to*
18 *establish a separate insurance pool for retired employees and their dependents*
19 *and setting the retirees premiums accordingly.*

20 (b) Any employee electing to remain under such group hospitalization
21 plan shall pay the municipality one hundred percent (100%) of the premiums for
22 such insurance.

23 (c) Upon attaining the age of sixty-five (65) years, all group health
24 insurance coverage shall cease, except if the retired employee's spouse has
25 not attained the age of sixty-five (65) years, the spouse shall be eligible
26 for coverage until he or she attains said age and if the retired employees's
27 dependent children have not attained the age of eighteen (18) years, the
28 dependent shall be eligible for such coverage until they attain the age of
29 eighteen (18) years.

30 (d) As used in this section, "retiring employees" means employees who
31 meet the age and service requirements of the retirement system to receive
32 benefits from the retirement system in the month following their departure
33 from employment with the municipality.

34 (e) Any city which presently maintains an insurance plan for retired
35 employees and/or their dependents may continue to operate the plan and the

1 provisions of this section shall not apply thereto.

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3 SECTION 2. Any city of the first class is authorized to establish a
4 program to pay the premiums for health insurance and dental insurance coverage
5 for former officials of the city who served as elected officials of the city
6 for ten (10) or more years, whether or not such service was continuous.

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8 SECTION 3. Any city electing to establish a program authorized in
9 Section 2 may do so by ordinance of the governing body of the city. The
10 ordinance establishing any such program may provide that the city shall pay
11 all or a portion of the health and dental insurance premiums for such
12 officials for a specified period of time or for the lifetime of the officials.

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14 SECTION 4. All provisions of this act of a general and permanent nature
15 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
16 Revision Commission shall incorporate the same in the Code.

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18 SECTION 5. If any provision of this act or the application thereof to
19 any person or circumstance is held invalid, such invalidity shall not affect
20 other provisions or applications of the act which can be given effect without
21 the invalid provision or application, and to this end the provisions of this
22 act are declared to be severable.

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24 SECTION 6. All laws and parts of laws in conflict with this act are
25 hereby repealed.

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/s/Miles

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