

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas As Engrossed: H1/31/07 H2/1/07 H2/20/07 H3/8/07

2 86th General Assembly

A Bill

3 Regular Session, 2007

HOUSE BILL 1228

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5 By: Representative Hardwick

6 By: Senator J. Jeffress

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For An Act To Be Entitled

10 AN ACT TO PERMIT A RETIRED MUNICIPAL EMPLOYEE TO
11 CONTINUE HEALTH INSURANCE COVERAGE; AND FOR OTHER
12 PURPOSES.

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Subtitle

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TO PERMIT A RETIRED MUNICIPAL EMPLOYEE

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TO CONTINUE HEALTH INSURANCE COVERAGE.

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

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21 SECTION 1. Arkansas Code Title 23, Chapter 79, Subchapter 1 is amended
22 to add an additional section to read as follows:

23 23-79-154. Continuation of health insurance for retired municipal
24 employees.

25 (a) As used in this section:

26 (1)(A) "Health care plan" means an individual, blanket, or group
27 plan, policy, or contract for health care services issued or delivered by a
28 health carrier in this state, including indemnity and managed care plans.

29 (B) "Health care plan" does not include a plan, policy, or
30 contract that provides coverage only for:

31 (i) A specified accident or accident-only coverage;

32 (ii) Long-term care insurance under the Long-Term

33 Care Insurance Act of 2005, § 23-97-301 et seq.;

34 (iii) A Medicare supplement policy of insurance;

35 (iv) Coverage under a plan through Medicare,

36 Medicaid, or the Federal Employees Health Benefit Program; or



(v) Coverage and supplemental coverage issued:

(a) Under Chapter 55 of Title 10 of the United States Code; or

(b) To provide liability insurance, coverage for workers' compensation claims, or similar insurance.

(b)(1) A municipality shall permit a retired municipal employee to continue coverage under the municipality's health care plan.

(2) Subdivision (b)(1) of this section does not require a municipality to contribute or prohibit a municipality from contributing funding to a retired municipal employee's health care coverage.

SECTION 2. Arkansas Code § 24-12-129 is amended to read as follows:

24-12-129. Municipal officials and employees.

When any municipal official or municipal employee ~~age fifty five (55) or over~~ who has completed twenty (20) years of service and is eligible to retire from service to the municipality ~~and who is vested in the retirement system~~ retires, the official or employee may continue to participate in the municipality's health care plan, receiving the same medical benefits ~~and paying the same premium as active employees~~ as long as the retired official or employee pays both employer and employee contributions to the health care plan.

SECTION 3. Arkansas Code § 24-12-130 is amended to read as follows:

24-12-130. Limitation on benefits provided by Acts 1997, No. 1098.

Nothing contained in § 24-12-129 should be interpreted to prevent a municipality from providing benefits contained in § 24-12-129 to retirees ~~who are less than age fifty five (55) or~~ who have completed fewer than twenty (20) years of municipal service. Further, any person who qualified and participated in a municipal health care plan under § 24-12-129 shall continue to be eligible to participate in the health care plan after August 1, 1997.

/s/ Hardwick