

1 SB432  
2 139344-1  
3 By Senators Brewbaker, Bussman, Pittman, Coleman, Fielding,  
4 Keahey, Waggoner, Ward, Allen and Reed  
5 RFD: Finance and Taxation General Fund  
6 First Read: 20-MAR-12

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8 SYNOPSIS: Under existing law, employees of the State  
9 of Alabama and certain persons who have retired  
10 from employment with the state are members of the  
11 State Employees' Health Insurance Plan.

12 This bill would provide that certain state  
13 employees who have been employed with the  
14 executive, legislative, and judicial branches of  
15 the state for a particular period of time and who  
16 have attained a certain age may elect to continue  
17 coverage in the plan if the employee pays all costs  
18 involved in the coverage.

19  
20 A BILL

21 TO BE ENTITLED

22 AN ACT

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24 To amend Section 36-29-16, Code of Alabama 1975,  
25 relating to participation of certain retired persons in the  
26 State Employees' Health Insurance Plan, to provide that state

1 employees who have been employed with the state for a  
2 particular period of time may elect to continue coverage in  
3 the plan if the employee pays all costs involved in the  
4 coverage.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. Section 36-29-16, Code of Alabama 1975,  
7 is amended to read as follows:

8 "§36-29-16.

9 "(a) Any judge of probate who qualifies to retire  
10 from active service with a benefit from the Judicial  
11 Retirement Fund or any legislator shall be entitled to  
12 participate in the State Employees' Health Insurance Plan. The  
13 entire cost for the group health insurance during retirement  
14 for a judge of probate or for a legislator shall be paid by  
15 such retired judge or legislator under such terms and  
16 conditions as the group insurer may, from time to time,  
17 prescribe for such group health insurance.

18 "(b) Notwithstanding any other provision of this  
19 chapter to the contrary, any person serving in the  
20 legislative, judicial, or executive branches of Alabama having  
21 served for 24 consecutive months and having attained the age  
22 of 50 years may elect to continue participation in the State  
23 Employees' Health Insurance Plan when the person leaves  
24 employment if the following conditions are met:

1           "(1) The employee has been insured under the plan  
2 for a minimum of 18 months before leaving employment with the  
3 state.

4           "(2) The entire cost for the insurance shall be paid  
5 by the former employee under such terms and conditions as the  
6 group insurer may, from time to time, prescribe.

7           "(3) Coverage shall be limited to the former  
8 employee and dependents of the former employee.

9           "(4) Any adjustments to the costs shall be  
10 applicable to persons electing to continue participation as  
11 per the rate applicable to the group.

12           "(c) It is the intent of this amendatory act to  
13 allow certain persons who have been employed by or otherwise  
14 served the State of Alabama to have access to health insurance  
15 at no cost to the state."

16           Section 2. This act shall become effective on the  
17 first day of the third month following its passage and  
18 approval by the Governor, or its otherwise becoming law.