



# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 1674

S.P. 545

In Senate, May 2, 2019

**An Act To Amend the Laws Concerning the Retired County and  
Municipal Law Enforcement Officers and Municipal Firefighters  
Health Insurance Program**

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Reference to the Committee on Labor and Housing suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator LIBBY of Androscoggin.  
Cosponsored by Senators: BELLOWS of Kennebec, DIAMOND of Cumberland,  
Representatives: BRYANT of Windham, COSTAIN of Plymouth, DUNPHY of Old Town,  
HALL of Wilton, MARTIN of Eagle Lake, VEROW of Brewer.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §286-M, sub-§3**, as enacted by PL 2005, c. 636, Pt. A, §3 and  
3 amended by PL 2007, c. 58, §3, is further amended to read:

4 **3. Eligibility for program coverage.** A person must make contributions pursuant to  
5 subsection 5, paragraph D and subsection 8 for 60 months ~~or the payment required~~  
6 ~~pursuant to subsection 9~~ in order to be eligible for coverage under the program. In  
7 addition, a person must satisfy the eligibility criteria specified in this subsection as  
8 follows:

9 A. The person must:

- 10 (1) Be at least 50 years of age;
- 11 (2) Be a retired county or municipal law enforcement officer or a retired  
12 municipal firefighter;
- 13 (3) Have, while actively employed as a county or municipal law enforcement  
14 officer or municipal firefighter, participated in the person's employer's health  
15 insurance plan or other fully-insured health insurance plan; and
- 16 (4) Receive or be eligible to receive:
- 17 (a) If retired from at least 25 years of service in a position as a county or  
18 municipal law enforcement officer or a municipal firefighter, a retirement  
19 benefit from the Maine Public Employees Retirement System or a defined  
20 contribution retirement plan other than the United States Social Security Act;  
21 or
- 22 (b) If retired from less than 25 years of service in a position as a county or  
23 municipal law enforcement officer or a municipal firefighter, a retirement  
24 benefit from the Maine Public Employees Retirement System or a defined  
25 contribution retirement plan other than the United States Social Security Act,  
26 as long as the benefit provided is at least 50% of average final compensation,  
27 with no reduction for early retirement and with or without a cost-of-living  
28 adjustment; or

29 B. The person must be a dependent of a person meeting the criteria of paragraph A.

30 **Sec. 2. 5 MRSA §286-M, sub-§§5 and 6**, as enacted by PL 2005, c. 636, Pt. A,  
31 §3, are amended to read:

32 **5. Enrollment.** A county or municipal law enforcement officer, a municipal  
33 firefighter or a person retired from such a position is eligible to enroll in the program. An  
34 eligible person who fails to enroll in the program pursuant to this subsection is not  
35 otherwise eligible to enroll in the program and is not eligible for the premium subsidy  
36 provided pursuant to this section for enrollment in any other health plan. A county or  
37 municipality that employs a county or municipal law enforcement officer or municipal  
38 firefighter shall notify such an employee of the program in writing no later than 60 days  
39 following the effective date of hire of that employee. Such an employee shall choose in  
40 writing whether to enroll in the program. A copy of the form on which an employee

1 chooses to enroll in the program or to not enroll in the program must be retained by the  
2 county or municipality. Notwithstanding the date of enrollment, insurance coverage is  
3 not effective until the date of retirement or July 1, 2007, whichever occurs later. Eligible  
4 persons may enroll themselves, their spouses and their dependents in the program during  
5 the following time periods:

6 A. When the effective date of hire of the eligible person is on or before November 1,  
7 2006, the eligible person must enroll in the program before January 1, 2007, subject  
8 to the enrollment and eligibility requirements of the applicable group health plan;

9 B. When the effective date of hire of the eligible person is after November 1, 2006  
10 and before October 1, 2019, the eligible person must enroll in the program no later  
11 than 60 days following the effective date of hire, subject to the enrollment and  
12 eligibility requirements of the applicable group health plan; ~~or~~

13 C. Notwithstanding paragraphs A and B, when the eligible person, the eligible  
14 person's spouse or the eligible person's dependent experiences an involuntary loss of  
15 other health insurance coverage carried as of January 1, 2007 or 60 days following  
16 the date of the eligible person's hire, whichever is later, the eligible person may elect  
17 to enroll in the program no later than 60 days after the effective date of the loss of  
18 that coverage, subject to the enrollment and eligibility requirements of the applicable  
19 group health plan. Involuntary loss of coverage does not include a loss of coverage  
20 arising as a result of nonpayment of premiums; ~~or~~

21 D. When the effective date of hire of the eligible person is on or after October 1,  
22 2019, the eligible person must enroll in the program no later than 5 years following  
23 the effective date of hire, subject to the enrollment and eligibility requirements of the  
24 applicable group health plan. If the eligible person enrolls in the program no later  
25 than 60 days following the effective date of hire, the eligible person contributes to the  
26 fund at the rate specified in subsection 8, paragraph A. If the eligible person enrolls  
27 in the program more than 60 days following the effective date of hire, the eligible  
28 person shall contribute to the fund 2% of the eligible person's gross wages since the  
29 eligible person's effective date of hire to that person's date of enrollment in the  
30 program and shall contribute to the fund at the rate specified in subsection 8,  
31 paragraph A after the eligible person's date of enrollment.

32 **6. Premiums; subsidy.** Premiums for the program and the premium subsidy are  
33 subject to the provisions of this subsection. Premium subsidies are not provided for  
34 supplemental health insurance coverage.

35 A. An enrollee participating in the majority multiple-employer welfare arrangement  
36 is responsible for the premium payment associated with the cost of the majority  
37 multiple-employer welfare arrangement benefit option in which the enrollee is  
38 participating, to the extent such premium obligations exist following the application  
39 of any premium subsidy authorized by law. An enrollee who fails to remit the  
40 premium payments as established and required by the majority multiple-employer  
41 welfare arrangement must be disenrolled from the program. Beginning July 1, 2007,  
42 the State shall provide a premium subsidy for enrollees in the form of a direct  
43 payment to the majority multiple-employer welfare arrangement for each enrollee.  
44 The level of the subsidy must equal ~~45%~~ 55% of the individual premium cost for the

1 enrollee and varies among enrollees depending upon the terms of the majority  
2 multiple-employer welfare arrangement coverage plan in which each enrollee is  
3 participating. Enrollees are responsible for the balance of the applicable individual  
4 premium, as well as the total cost of the premium for any applicable dependent  
5 coverage, and shall make payments directly to the majority multiple-employer  
6 welfare arrangement.

7 B. Enrollees retiring from counties or municipalities that do not participate in the  
8 majority multiple-employer welfare arrangement but who are eligible and elect to  
9 participate in that county's or municipality's fully insured health benefits plan are  
10 responsible for the premium payment associated with the cost of that plan, to the  
11 extent such premium obligations exist following the application of any premium  
12 subsidy authorized by law. An enrollee who fails to remit the premium payments as  
13 established and required by the fully insured plan must be disenrolled from the  
14 program. Beginning July 1, 2007, the State shall provide a premium subsidy for  
15 enrollees participating in fully insured health benefits plans pursuant to this  
16 subsection. This subsidy must be made in the form of a direct payment to the  
17 enrollee's health benefits plan and must equal ~~45%~~ 55% of the individual premium  
18 cost for the enrollee or a dollar amount equivalent to the highest premium subsidy  
19 provided in accordance with paragraph A, whichever is less. A retiree electing to  
20 enroll a spouse or a dependent in the program is responsible for payment of 100% of  
21 such coverage in addition to that portion of the retiree's individual premium cost not  
22 contributed by the State.

23 C. Enrollees retiring from counties or municipalities that do not participate in the  
24 majority multiple-employer welfare arrangement and do not provide health insurance  
25 coverage for retirees may enroll in the group health plan available to state employees  
26 and other eligible persons under section 285 and are responsible for the premium  
27 payment associated with the cost of that plan, to the extent such premium obligations  
28 exist following the application of any premium subsidy authorized by law. An  
29 enrollee who fails to remit the premium payments as established and required by the  
30 group health plan available to state employees and other eligible persons must be  
31 disenrolled from the program. The State shall provide a premium subsidy for  
32 enrollees participating in the group health plan available to state employees and other  
33 eligible persons pursuant to this paragraph. This subsidy must be made in the form of  
34 a direct payment to the group health plan available to state employees and other  
35 eligible persons and must equal 55% of the individual premium cost for the enrollee  
36 or a dollar amount equivalent to the highest premium subsidy provided in accordance  
37 with paragraph A, whichever is less. A retiree electing to enroll a spouse or a  
38 dependent in the program is responsible for payment of 100% of such coverage in  
39 addition to that portion of the retiree's individual premium cost not contributed by the  
40 State.

41 D. An enrollee may participate in the group health insurance plan in which the  
42 enrollee's spouse participates if that plan is offered in this State or in another group  
43 health insurance plan that is offered in this State. An enrollee is responsible for the  
44 premium payment associated with the cost of the group health insurance plan in  
45 which the enrollee is participating, to the extent such premium obligations exist  
46 following the application of any premium subsidy authorized by law. An enrollee

1 who fails to remit the premium payments as established and required by the group  
2 health insurance plan in which the enrollee is participating must be disenrolled from  
3 the program. The State shall provide a premium subsidy for each enrollee in the form  
4 of a direct payment to the group health insurance plan in which the enrollee is  
5 participating. The level of the premium subsidy must equal 55% of the individual  
6 premium cost for the enrollee or a dollar amount equivalent to the highest premium  
7 subsidy provided in accordance with paragraph A, whichever is less. Enrollees are  
8 responsible for the balance of the applicable individual premium, as well as the total  
9 cost of the premium for any applicable dependent coverage, and shall make payments  
10 directly to the group health insurance plan in which the enrollee is participating.

11 **Sec. 3. 5 MRSA §286-M, sub-§8, ¶¶C to E** are enacted to read:

12 C. An enrollee who is not receiving wages from a county or municipal employer on  
13 account of an absence from work due to an injury compensable under the Maine  
14 Workers' Compensation Act of 1992, a disability for which the enrollee is receiving a  
15 disability retirement benefit from the Maine Public Employees Retirement System or  
16 a leave of absence must contribute to the fund for the period of time of the absence  
17 from work based on the enrollee's gross wages immediately before the absence from  
18 work in order for the enrollee to be eligible for coverage under the program.

19 D. An enrollee who retires and is subsequently hired as a county or municipal law  
20 enforcement officer or municipal firefighter must contribute to the fund while  
21 employed as a county or municipal law enforcement officer or municipal firefighter  
22 in order for the enrollee to be eligible for coverage under the program.

23 E. An enrollee who is not receiving wages from a county or municipal employer  
24 because the enrollee is a member of the United States Armed Forces or state military  
25 forces on active duty and deployed is not required to contribute to the fund while  
26 deployed.

27 **Sec. 4. 5 MRSA §286-M, sub-§9**, as enacted by PL 2005, c. 636, Pt. A, §3, is  
28 repealed.

29 **Sec. 5. 5 MRSA §286-N** is enacted to read:

30 **§286-N. Retired County and Municipal Law Enforcement Officers and Municipal**  
31 **Firefighters Health Insurance Program Advisory Committee**

32 **1. Composition; designation.** The Retired County and Municipal Law Enforcement  
33 Officers and Municipal Firefighters Health Insurance Program Advisory Committee,  
34 referred to in this section as "the advisory committee," is composed of the following 8  
35 members:

36 A. Six voting members who are members of the organizations listed in  
37 subparagraphs (1) to (4), duly designated by their respective organizations as follows:

38 (1) One member duly designated by a statewide association of fire chiefs;

39 (2) One member duly designated by a statewide association of police chiefs;

1                   (3) Two members duly designated by a statewide association of professional  
2                   firefighters; and

3                   (4) Two members duly designated by a statewide association of police; and

4                   B. Two ex officio nonvoting members as follows:

5                   (1) The executive director of the office of employee health and benefits within  
6                   the Department of Administrative and Financial Services, Bureau of Human  
7                   Resources or the executive director's designee; and

8                   (2) The employee of the Department of Administrative and Financial Services,  
9                   Bureau of Human Resources, office of employee health and benefits assigned to  
10                  the program.

11                  **2. Compensation of members.** The members of the advisory committee are not  
12                  entitled to receive compensation for their participation in the advisory committee's  
13                  activities.

14                  **3. Chair.** The executive director of the office of employee health and benefits  
15                  within the Department of Administrative and Financial Services, Bureau of Human  
16                  Resources, or the executive director's designee, shall serve as chair.

17                  **4. Term.** The terms of the members are as follows.

18                  A. Each member serves a term of 5 years.

19                  B. A member shall continue to serve after the expiration of that member's term until  
20                  a qualified successor is designated. The member's continuation as a member does not  
21                  change the expiration of that member's term.

22                  C. The term of a member designated to succeed a member whose term has expired  
23                  expires 5 years after the expiration date of the term of the previous member,  
24                  regardless of the effective date of the new designation. There is no limit to the  
25                  number of terms to which a member may be designated.

26                  D. The designating authority shall designate a person to fill a vacancy caused by  
27                  death, resignation or ineligibility within 60 days. This designation is for the  
28                  unexpired portion of the term and must be made from a designation provided by the  
29                  organization the former member represented, as provided in subsection 1. With the  
30                  agreement of the member being replaced and of the designating authority, the  
31                  member being replaced serves until a replacement is designated. Otherwise, a  
32                  vacancy exists until a replacement is designated.

33                  E. A member is considered to have resigned if:

34                         (1) The member severs the affiliation with the organization that designated the  
35                         member in accordance with subsection 1; or

36                         (2) The member is absent from 3 consecutive meetings of the advisory  
37                         committee without good cause as determined by the advisory committee.

38                  **5. Transaction of business.** The transaction of business by the advisory committee  
39                  is governed as follows.



1 writing no later than 60 days following the effective date of hire of that employee. Such  
2 an employee must choose in writing whether to enroll in the program. A copy of the  
3 form on which an employee chooses to enroll in the program or to not enroll in the  
4 program must be retained by the county or municipality.

5 2. It provides that, when the effective date of hire of the eligible person is on or after  
6 October 1, 2019, the eligible person must enroll in the program no later than 5 years  
7 following the effective date of hire.

8 3. It increases the amount of the premium subsidy from 45% to 55%.

9 4. It provides that enrollees retiring from counties or municipalities that do not  
10 participate in the majority multiple-employer welfare arrangement and do not provide  
11 health insurance coverage for retirees may enroll in the group health plan available to  
12 state employees.

13 5. It provides that an enrollee may participate in the group health insurance plan in  
14 which the enrollee's spouse participates if that plan is offered in this State or in another  
15 group health insurance plan that is offered in this State.

16 6. It provides that an enrollee who is not receiving wages from a county or municipal  
17 employer on account of an absence from work due to an injury compensable under the  
18 Maine Workers' Compensation Act of 1992, a disability for which the enrollee is  
19 receiving a disability retirement benefit from the Maine Public Employees Retirement  
20 System or a leave of absence must contribute to the Firefighters and Law Enforcement  
21 Officers Health Insurance Program Fund for the period of time of the absence from work  
22 based on the enrollee's gross wages immediately before the absence from work in order  
23 for the enrollee to be eligible for coverage under the program.

24 7. It provides that an enrollee who retires and is subsequently hired as a county or  
25 municipal law enforcement officer or municipal firefighter must contribute to the  
26 Firefighters and Law Enforcement Officers Health Insurance Program Fund while  
27 employed as a county or municipal law enforcement officer or municipal firefighter in  
28 order for the enrollee to be eligible for coverage under the program.

29 8. It provides that an enrollee who is not receiving wages from a county or municipal  
30 employer because the enrollee is a member of the United States Armed Forces or state  
31 military forces on active duty and deployed is not required to contribute to the fund while  
32 deployed.

33 9. It removes provisions governing persons who retire without making 60 months of  
34 contributions to the fund but who meet other eligibility criteria.

35 10. It establishes the Retired County and Municipal Law Enforcement Officers and  
36 Municipal Firefighters Health Insurance Program Advisory Committee to review  
37 proposed rules for the program.

38 11. It provides a period of open enrollment in the program beginning October 1,  
39 2019 and ending December 31, 2021.