

STATE OF MAINE

IN THE YEAR OF OUR LORD  
TWO THOUSAND TWENTY-FIVE

H.P. 446 - L.D. 707

**An Act to Amend the Membership of the State Employee Health Commission  
and Make Referential Changes to the Office of Employee Health, Wellness  
and Workers' Compensation**

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

**PART A**

**Sec. A-1. 5 MRSA §285-A, sub-§2**, as amended by PL 2021, c. 312, §3 and c. 548, §45, is further amended to read:

**2. Membership.** The State Employee Health Commission consists of 24 labor and management members as follows:

- A. One labor member from each bargaining unit recognized under Title 26, chapter 9-B, appointed by the employee organization certified to represent the unit;
- B. One labor member from the largest bargaining unit recognized under Title 26, chapter 14, appointed by the employee organization authorized to represent the unit;
- C. One labor member appointed by the retiree chapters of the Maine State Employees Association;
- C-1. One labor member from Maine Turnpike Authority employees appointed by the employee organization authorized to represent the employees;
- C-2. One labor member from Maine Public Employees Retirement System employees, appointed by the employee organization authorized to represent the employees;
- C-3. One labor member from Maine Maritime Academy employees, appointed by the employee organization authorized to represent the employees;
- D. Four management members appointed by the Commissioner of Administrative and Financial Services;
- E. One management member appointed by the Court Administrators;
- F. The Executive Director of Employee Health ~~and~~, Wellness and Workers' Compensation, ex officio;
- F-1. The State Human Resources Officer, ex officio;

- G. One member representing retirees appointed by the Maine Association of Retirees;
- H. One labor member from the Maine Community College System faculty or administrative unit, appointed by the employee organization authorized to represent the units;
- I. One management member from the Maine Community College System appointed by the President of the Maine Community College System;
- J. One management member appointed by the Executive Director of the Maine Turnpike Authority;
- K. One management member appointed by the Chief Executive Officer of the Maine Public Employees Retirement System; and
- L. One management member appointed by the President of the Maine Maritime Academy.

All appointed or elected members serve at the pleasure of their appointing or electing authorities.

**Sec. A-2. 5 MRSA §285-A, sub-§3**, as corrected by RR 2023, c. 1, §1 and affected by c. 1, §50, is amended to read:

**3. Voting.** All votes of the commission must be one vote cast by labor and one vote cast by management. The votes must be cast by the labor cochair, who must be chosen by the labor members, and the vote must represent the majority opinion of the labor members of the commission, and by the management cochair, who is the State Human Resources Officer or the officer's designee designated by the Commissioner of Administrative and Financial Services from among the management members appointed by the Commissioner of Administrative and Financial Services or the State Human Resources Officer.

## PART B

**Sec. B-1. 5 MRSA §285, sub-§1-A, ¶D**, as amended by PL 2021, c. 312, §1, is further amended to read:

D. If terminating employment but not retiring at that time, have 25 years of creditable service under chapter 423, subchapter 4 and remain a member of the Maine Public Employees Retirement System, make a one-time election to continue coverage from the date of termination until retirement and pay the cost of the coverage plus the cost incurred by the Office of Employee Health and Wellness and Workers' Compensation in administering coverage under the plan. If a terminated employee who elects coverage under this paragraph fails to pay the cost of coverage and any administrative costs in the amount and manner determined by the office, the coverage may be cancelled in accordance with the requirements of Title 24 and Title 24-A. Regardless of election of coverage or cancellation of coverage under this paragraph, an employee terminating employment as provided in this paragraph may elect coverage upon retirement under paragraph E; or

**Sec. B-2. 5 MRSA §285-A, sub-§1**, as amended by PL 2021, c. 312, §2 and PL 2023, c. 412, §3, is further amended to read:

**1. Establishment.** The State Employee Health Commission is established to serve as trustee of the group health plan in this subchapter and to provide counsel to the Executive

Director of Employee Health ~~and~~, Wellness and Workers' Compensation and the State Human Resources Officer on health and dental insurance issues, the state living resources program and other issues concerning employee health ~~and~~, wellness and workers' compensation.

**Sec. B-3. 5 MRSA §286**, as amended by PL 2021, c. 312, §§4 and 5 and PL 2023, c. 412, §3, is further amended to read:

**§286. Administration**

The Commissioner of Administrative and Financial Services has responsibility for the state employee health insurance program through the Office of Employee Health ~~and~~, Wellness and Workers' Compensation that is established as part of the organization of the Bureau of Human Resources. The office is headed by the Executive Director of Employee Health ~~and~~, Wellness and Workers' Compensation. The executive director has responsibility for the daily operation of this program and for the development and maintenance of programs that promote the health and safety of the state employees. Program services must be administered through offices, systems, consultants and staff necessary to provide cost-effective, accessible and responsive services to eligible employees and retirees. Administration of the program must be consistent with rules adopted by the State Employee Health Commission. The executive director and the staff of the state employee health insurance program are appointed in accordance with the Civil Service Law.

Appeals by eligible employees or retirees ~~shall~~ must be to hearing officers designated by the commission.

The cost of administration of the state employee health insurance program ~~shall~~ must be funded from an administrative allowance to be negotiated by the commission with the health benefit carrier or carriers. Indirect costs may not be allocated to the program.

The commissioner shall establish the Accident, Sickness and Health Insurance Internal Service Fund through the State Controller in which health insurance and dental insurance premiums collected from state departments and agencies and other plan participants, premium dividends, return of premiums resulting from risk reduction programs and any other receipts must be deposited to be used for the purposes of the state employee health insurance program. The fund is a continuing fund and may not lapse. Interest earned from investment of the fund ~~shall~~ must be credited to the fund.

An annual report ~~shall~~ must be prepared for the Governor concerning the number of participants, premiums charged, utilization of benefits and operating costs. The report ~~shall~~ must also include recommendations regarding future operation of the program.

A reserve fund, administered by the Executive Director of Employee Health ~~and~~, Wellness and Workers' Compensation and the State Human Resources Officer with approval of the Commissioner of Administrative and Financial Services, is created to protect the program from unexpected losses and self-insured losses and related expenses incurred in the provision of health and dental benefits for the eligible participants. The fund is a continuing fund and may not lapse. The Treasurer of State shall invest the fund. All proceeds of these investments accrue to the fund.

The reserve fund is capitalized by money from premium payments and by legislative appropriation, payments from state departments and agencies and by such other means as

the Legislature may approve. All money in the fund is deemed to be the commingled assets of all the covered employees and must be used only for the purposes of this section.

**Sec. B-4. 5 MRSA §286-M, sub-§2, ¶C**, as amended by PL 2021, c. 312, §6, is further amended to read:

C. "Division" means the Department of Administrative and Financial Services, Office of Employee Health ~~and, Wellness and Workers' Compensation~~.

**Sec. B-5. 5 MRSA §286-N, sub-§1, ¶B**, as enacted by PL 2019, c. 446, §5, is amended to read:

B. Two ex officio nonvoting members as follows:

(1) The ~~executive director of the office of employee health and benefits~~ Executive Director of Employee Health, Wellness and Workers' Compensation within the Department of Administrative and Financial Services, Bureau of Human Resources or the executive director's designee; and

(2) The employee of the Department of Administrative and Financial Services, Bureau of Human Resources, ~~office of employee health and benefits~~ Office of Employee Health, Wellness and Workers' Compensation assigned to the program.

**Sec. B-6. 5 MRSA §286-N, sub-§3**, as enacted by PL 2019, c. 446, §5, is amended to read:

**3. Chair.** The ~~executive director of the office of employee health and benefits~~ Executive Director of Employee Health, Wellness and Workers' Compensation within the Department of Administrative and Financial Services, Bureau of Human Resources, or the executive director's designee, shall serve as chair.

**Sec. B-7. 20-A MRSA §13451, sub-§3**, as amended by PL 2023, c. 412, Pt. OOOOO, §§1 to 3, is further amended by amending the 2nd blocked paragraph to read:

A provider of a health insurance benefit plan for retired teachers must make available data related to the provider's premium costs and any related data as requested by the Executive Director of Employee Health ~~and, Wellness and Workers' Compensation~~ within the Department of Administrative and Financial Services.