

12-5040. Group health care benefits plan; availability for retirants; coverage, end; eligibility; cost of coverage; definitions. (a) Each local government which provides an employer-sponsored group health care benefits plan for the employees of the local government shall make coverage under such group health care benefits program available to retired former employees and their dependents, upon written application filed with the clerk or secretary thereof within 30 days following retirement of the employee, as provided by this section. Coverage under the employee group health care benefits plan may cease to be made available upon (1) the retired employee attaining age 65, (2) the retired employee failing to make required premium payments on a timely basis, or (3) the retired employee becoming covered or becoming eligible to be covered under a plan of another employer.

(b) Each such local government shall make such coverage available to all persons who were employed by the local government for not less than 10 years and who retired from such employment after December 31, 1988, and may make such coverage available to other retired employees and their dependents. Each such retired employee who elects to continue such coverage may be required to contribute to the employee group health benefits plan, including the administrative costs thereof, but such contribution shall not exceed 125% of the premium cost for other similarly situated employees. The local government may pay for all or part of the cost of continuing the employee group health care benefits plan coverage for such retired former employees and their dependents.

(c) As used in this section, "local government" means any county, city, township, special district, unified school district or any instrumentality of any one or several of such governmental entities; and "retired" means any employee who has terminated employment and is receiving a retirement or disability benefit for service with the local government from which they terminated employment.

History: L. 1988, ch. 302, § 18; July 1.