

Signed by the governor April 20, 1992, 4:36 p.m.

CHAPTER 491—H.F.No. 2435

*An act relating to the department of employee relations; public employment; removing a committee's expiration date; modifying retirement program options; expanding a bidding requirement exemption; amending Minnesota Statutes 1990, section 43A.316, subdivisions 4, 6, and 10; Minnesota Statutes 1991 Supplement, section 43A.316, subdivision 8; repealing Laws 1990, chapter 589, article 2, section 3.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1990, section 43A.316, subdivision 4, is amended to read:

Subd. 4. **LABOR-MANAGEMENT COMMITTEE.** The labor-management committee consists of ten members appointed by the commissioner. The labor-management committee must comprise five members who represent employees, including at least one retired employee, and five members who represent eligible employers. Committee members are eligible for expense reimbursement in the same manner and amount as authorized by the commissioner's plan adopted under section 43A.18, subdivision 2. The commissioner shall consult with the labor-management committee in major decisions that affect the plan. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency. ~~The committee expires as provided in section 45.059, subdivision 5.~~

Sec. 2. Minnesota Statutes 1990, section 43A.316, subdivision 6, is amended to read:

Subd. 6. **COVERAGE.** (a) By January 1, 1989, the commissioner shall announce the benefits of the plan. The plan shall include employee hospital, medical, dental, and life insurance for employees and hospital and medical benefits for dependents. Health maintenance organization options and other delivery system options ~~shall~~ may be provided if they are available, cost effective, and capable of servicing the number of people covered in the plan. Participation in optional coverages may be provided by collective bargaining agreements. For employees not represented by an exclusive representative, the employer may offer the optional coverages to eligible employees and their dependents provided in the plan.

(b) The commissioner, with the assistance of the labor-management committee, shall periodically assess whether it is financially feasible for the plan to offer or to continue an individual retiree program that has competitive premium rates and benefits. If the commissioner determines it to be feasible to offer an

New language is indicated by underline, deletions by ~~strikeout~~.

individual retiree program, the commissioner shall announce the applicable benefits, premium rates, and terms of participation. Eligibility to participate in the individual retiree program is governed by subdivision 8, but applies to retirees of eligible employers that do not participate in the plan and to those retirees' dependents and surviving spouses.

Sec. 3. Minnesota Statutes 1991 Supplement, section 43A.316, subdivision 8, is amended to read:

Subd. 8. **CONTINUATION OF COVERAGE.** (a) A former employee of an employer participating in the plan who is ~~55 years old or older and is receiving a public pension disability benefit or an annuity or is 55 years old or older and has met the age and service requirements necessary to receive an annuity under chapter 353, 353C, 354, 354A, 356, 422A, 423, 423A, or 424 is,~~ and the former employee's dependents, are eligible to participate in the plan. ~~A former employee who is 65 years old or older and is not enrolled in Medicare is not eligible to participate in the plan.~~ This participation is at the person's expense unless a collective bargaining agreement or personnel policy provides otherwise. Premiums for these participants must be established by the commissioner. ~~The commissioner shall establish sets of health insurance premiums for various classes including but not limited to:~~

- (1) ~~all former employees eligible under this paragraph who are under age 65;~~
- (2) ~~all former employees eligible under this paragraph who are 65 years old or older and are enrolled in Medicare; and~~
- (3) ~~all former employees eligible under this paragraph whose group participates in the plan.~~

The commissioner may provide policy exclusions for preexisting conditions only when there is a break in coverage between a participant's coverage under the employment-based group insurance plan ~~as an employee~~ and the participant's coverage under this section. An employer shall notify an employee of the option to participate under this paragraph no later than the effective date of retirement. The retired employee or the employer of a participating group on behalf of a current or retired employee shall notify the commissioner within 30 days of the effective date of retirement of intent to participate in the plan according to the rules established by the commissioner.

(b) The spouse of a deceased, ~~active,~~ employee or former employee may purchase the benefits provided at premiums established by the commissioner if the spouse was a dependent under the ~~active employee's~~ or former employee's coverage under this section at the time of the death. The spouse remains eligible to participate in the plan as long as the group that included the deceased employee or former employee participates in the plan. Coverage under this clause must be coordinated with relevant insurance benefits provided through the federally sponsored Medicare program.

New language is indicated by underline, deletions by ~~strikeout~~.

(c) The plan benefits must continue in the event of strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.

(d) A participant who discontinues coverage may not reenroll.

Persons participating under these paragraphs shall make appropriate premium payments in the time and manner established by the commissioner.

Sec. 4. Minnesota Statutes 1990, section 43A.316, subdivision 10, is amended to read:

Subd. 10. **BIDDING REQUIREMENT EXEMPTION.** The public employee insurance plan and, where applicable, the employers participating in it are exempt from ~~chapter~~ chapters 60A, 62A, 62C, 62D, 62E, and 62H, section 471.617, subdivisions 2 and 3, and the bidding requirements of section 471.6161.

Sec. 5. **REPEALER.**

Laws 1990, chapter 589, article 2, section 3, is repealed.

Sec. 6. **EFFECTIVE DATE.**

Sections 1 to 5 are effective the day after final enactment.

Presented to the governor April 16, 1992

Signed by the governor April 20, 1992, 4:55 p.m.

---

#### CHAPTER 492—H.F.No. 699

*An act relating to retirement; judges retirement fund; eliminating the offset for a portion of social security benefits; amending Minnesota Statutes 1991 Supplement, section 490.123, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 355; repealing Minnesota Statutes 1990, section 490.129.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[355.393] SECOND SOCIAL SECURITY COVERAGE ELECTION.**

A member of the basic program of the judges retirement plan governed by sections 490.121 to 490.133 is entitled to elect social security coverage in a second social security referendum held for that purpose by the department of employee relations. The social security coverage is effective on the first of the month next following the referendum.

New language is indicated by underline, deletions by ~~strikeout~~.