

By Mr. Donahue, petition of Maurice A. Donahue for legislation to extend contributory group hospital, surgical, medical insurance to elderly persons and their dependents retired from the service of certain counties, cities, towns and districts. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-One.

AN ACT TO EXTEND CONTRIBUTORY GROUP HOSPITAL, SURGICAL, MEDICAL INSURANCE TO ELDERLY PERSONS AND THEIR DEPENDENTS RETIRED FROM THE SERVICE OF CERTAIN COUNTIES, CITIES, TOWNS AND DISTRICTS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 2 of chapter 32A of the General Laws  
 2 as most recently amended by chapter 516 of the acts of 1959  
 3 is further amended by adding after paragraph (e) the follow-  
 4 ing paragraph: — (f) “Elderly Governmental Retirees”, em-  
 5 ployees of counties, cities, towns and districts retired prior to  
 6 the effective date of contracts or agreements issued under  
 7 chapter thirty-two B who are receiving a pension or retire-  
 8 ment allowance through the respective retirement system, ex-  
 9 cept ‘teachers’ as defined in section one of chapter thirty-two.

1 SECTION 2. Said chapter 32A is amended by adding after  
 2 section 11 the following section: — *Section 12.* The commis-  
 3 sion shall negotiate with and purchase on such terms as it  
 4 deems to be in the best interest of the commonwealth and the  
 5 elderly governmental retirees and their dependents from one  
 6 or more insurance companies or non-profit hospital or medical  
 7 service corporations a policy or policies of group general or  
 8 blanket insurance providing hospital, surgical and medical  
 9 benefits for said retirees and their dependents, or, may make  
 10 available the same hospital, surgical, medical benefits in effect

11 for active employees and their dependents as provided in sec-  
12 tion six; and shall execute all agreements or contracts pertain-  
13 ing to said policies or any amendments thereto for and on be-  
14 half and in the name of the commonwealth, for a period not  
15 to exceed five years; provided, however, that the portion of  
16 the cost of the premium per month to be borne by the com-  
17 monwealth shall not exceed the estimated monthly cost for  
18 which funds have been appropriated by the general court for  
19 the then current fiscal year.

20 (a) The commission shall determine the amount of said  
21 premium which may be the entire average group premium for  
22 hospital, surgical and medical benefits provided under section  
23 six, or a premium computed on a basis considered by said  
24 commission to be equitable in relation to all persons insured  
25 under this chapter.

26 (b) With respect to any period of insurance which is in  
27 effect for the elderly governmental retiree, there shall be  
28 withheld from each monthly payment of retirement allow-  
29 ance fifty per cent of the premium for such insurance and the  
30 commonwealth shall contribute the remaining fifty per cent  
31 of the said premium.

32 (c) The commonwealth shall contribute a subsidy, as de-  
33 termined by the commission, equal to the annual excess of  
34 claim loss, if any, sustained through the claim experience of  
35 these insureds and said subsidy shall be paid by the state treas-  
36 urer to the carrier or carriers upon proper authorization by  
37 the commission.

38 (d) Where federal funds are made available for this pur-  
39 pose, the commission shall reimburse the commonwealth for  
40 expenditures made in accordance with (a) and (b) above and  
41 section ten.

42 (e) Each elderly governmental retiree to whom this chap-  
43 ter applies shall furnish the commission, in such form as it  
44 shall prescribe, such information as is necessary to insure  
45 himself, or himself and his dependents under the hospital,  
46 surgical, medical benefits herein provided.

47 (f) Upon the death of said retiree the surviving spouse  
48 may continue the group hospital, surgical, medical insurance

49 as provided under section eleven.

50 (g) All amounts withheld from the retiree's pension or  
51 allowance through the retirement system established in the  
52 county, city, town, or district shall be forwarded by the re-  
53 sponsible authority to the commission. The commission shall  
54 make payment of all sums due the carrier or carriers in ac-  
55 cordance with paragraph (c) of section eight.

1 SECTION 3. Section 2 of chapter 32B of the General Laws  
2 as most recently amended by chapter 337 of the acts of 1960  
3 is further amended by adding after paragraph (h) the follow-  
4 ing paragraph: — (i) "Elderly Governmental Retirees," see  
5 section two (f) of chapter thirty-two A.

1 SECTION 4. Said chapter 32B is further amended by insert-  
2 ing after section 14 the following section: — *Section 15.* A  
3 county by vote of the county commissioners, a city having a  
4 Plan D or Plan E charter by majority vote of its council, any  
5 other city by vote of its city council, approved by the mayor,  
6 and a district by vote of the district at a district meeting, may  
7 accept the provisions of this chapter. A certified copy of such  
8 vote shall be filed with the commission at least ninety days  
9 before hospital, surgical, medical insurance shall become  
10 effective. A town may accept the provisions of this chapter  
11 if a majority of the voters cast in answer to the following  
12 question which shall be printed on the official ballot to be  
13 used at an election in said town is in the affirmative: — Shall  
14 the town authorize former town employees receiving a retire-  
15 ment allowance hospital, surgical and medical insurance to be  
16 provided in accordance with the provisions of chapter 32A of  
17 the General Laws with no expenditures for premiums by the  
18 town?

1 SECTION 5. The provisions of this act shall apply to any  
2 public authority which has previously accepted the provisions  
3 of chapter thirty-two B of the General Laws.

