

By Mr. Bosley of North Adams, petition of Daniel E. Bosley relative to the benefits of public employees, retirees and surviving spouses of such employees. Public Service.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Ninety-Four.

AN ACT RELATIVE TO THE BENEFITS OF EMPLOYEES, RETIREES AND SURVIVING SPOUSES OF GOVERNMENTAL UNITS OF THE COMMONWEALTH.

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

1 Chapter thirty-two B of the General Laws, as appearing in the  
2 1990 Official Edition, is hereby amended by adding after section  
3 eighteen, as inserted by chapter one hundred thirty-eight of the  
4 Acts of nineteen hundred and ninety-one, the following new  
5 section: —

6 Section 19. (a) Upon acceptance of this section as hereinafter  
7 provided, the appropriate public authority of the governmental  
8 unit shall in lieu of providing coverage pursuant to sections 3, 3A  
9 and 16 enter into a contract or contracts, hereinafter described,  
10 to provide the services of one or more preferred provider  
11 organization (PPO) plans as defined in chapter one hundred  
12 seventy-six G and one or more health maintenance organization  
13 (HMO) plans as defined in chapter one hundred and seventy-six I  
14 to certain eligible employees and retirees including their surviving  
15 spouse and dependents. Enrollment in said plans shall be  
16 mandatory in any governmental unit accepting this section with  
17 the exceptions as described below. An eligible employee, retiree,  
18 survivor or dependent who for reasons of residency is not eligible  
19 for enrollment in any such plan offered by a governmental unit  
20 pursuant to chapter one hundred seventy-six G or does not reside  
21 within ten miles of the nearest primary health care provider  
22 offering services under a plan offered by a governmental unit  
23 pursuant to chapter one hundred and seventy-six I shall be

24 covered by a group policy as described in section 3 or 3A. Such  
25 group policy shall be deemed to be offered if a plan offered under  
26 this section limits the out of pocket expenses payable by an insured  
27 who does not reside within ten miles of the nearest primary health  
28 care provider offering services under a plan offered by the  
29 governmental unit pursuant to chapter one hundred and seventy-  
30 six I to no more than the out of pocket expenses charged had those  
31 services been provided within the network as defined by said plan.  
32 Any employee who is eligible for coverage under a jointly  
33 managed health and welfare trust fund authorized under this  
34 chapter may be insured under such plan in lieu of coverage under  
35 this section.

36 (b) For the purposes of determining the cost of any and all plans  
37 offered pursuant to this section a "Premium" shall be established  
38 by averaging the costs of all group health plans offered pursuant  
39 to this chapter, with the exception of plans offered to those insured  
40 under the federal health insurance for the aged act, as may be  
41 amended from time to time, and an optional medicare extension  
42 plan, whose contribution shall be made in accordance with  
43 paragraph (c) below, and those insured under this chapter shall  
44 contribute the same amount toward the premium cost, regardless  
45 of the plan said insured is enrolled in subject only to the  
46 governmental unit's acceptance of Sections seven, seven A, nine,  
47 nine A, nine D, nine D $\frac{1}{2}$ , nine D $\frac{3}{4}$ , and nine E of this chapter  
48 and provided, however, that parties to a collective bargaining  
49 agreement entered into pursuant to chapter one hundred and  
50 fifty E shall pay the percentage agreed to under any such  
51 agreement, provided that the agreement requires said employee  
52 to pay no more than fifty percent but no less than ten percent  
53 for coverage as provided by the governmental unit by a health  
54 care organization organized pursuant to chapter one hundred  
55 seventy-six G. The governmental unit's percentage contribution  
56 toward the cost of the each insured's plan shall be the same, subject  
57 only to the governmental unit's acceptance of Sections seven,  
58 seven A, nine, nine A, nine D, nine D $\frac{1}{2}$ , nine D $\frac{3}{4}$ , and nine E  
59 of this chapter and any applicable collective bargaining  
60 agreements.

61 (c) "Optional medicare extension premium" shall be established  
62 by averaging the costs of all group health plans offered to those

63 eligible for and insured under the federal health insurance for the  
64 aged act, as may be amended from time to time and an optional  
65 medicare extension plan, insureds covered under said plans shall  
66 contribute the same amount toward the premium cost, regardless  
67 of the plan said insured is enrolled in subject only to the  
68 governmental unit's acceptance of Sections seven, seven A, nine,  
69 nine A, nine D, nine D $\frac{1}{2}$ , nine D $\frac{3}{4}$ , and nine E of this chapter  
70 provided, however, that parties to a collective bargaining  
71 agreement entered into pursuant to chapter one hundred and  
72 fifty E shall pay the percentage agreed to under any such  
73 agreement, provided that the agreement requires said employee  
74 to pay no more than fifty percent but no less than ten percent  
75 for coverage as provided by a governmental unit by a health care  
76 organization organized pursuant to chapter one hundred seventy-  
77 six G. The governmental unit's contribution toward the cost of  
78 the each insured's plan shall be the same, subject only to the  
79 governmental unit's acceptance of sections seven, seven A, nine,  
80 nine A, nine D, nine D $\frac{1}{2}$ , nine D $\frac{3}{4}$ , and nine E of this chapter  
81 and any applicable collective bargaining agreements.

82 The appropriate public authority shall negotiate with and  
83 purchase such contract or contracts for and on behalf of and in  
84 the name of the governmental unit for such a period of time not  
85 exceeding five years as it may deem to be in the best interest of  
86 the governmental unit and the persons insured hereunder. Upon  
87 expiration of such contract or contracts executed under this  
88 section the governmental unit may with the approval of the  
89 committee offer coverage as is provided for under any other  
90 section in this chapter.

91 The governmental unit shall require under the terms and  
92 provisions of such insurance contracts an accounting at least  
93 annually of the payments made to providers of services on behalf  
94 of each person so insured; and, the extent and range of health  
95 care services shall be a matter of continuing analysis by the  
96 governmental unit for the purposes of maintaining a reasonable  
97 relationship between the monthly premium and the schedule of  
98 health care services provided to all persons insured hereunder.

99 Any dividend or its equivalent derived from insurance contracts  
100 issued pursuant to this section shall be applied as provided in  
101 Sections eight or eight A, whichever may be applicable.

102 This section shall take effect in a county, except Worcester  
103 county, city, town or district upon its acceptance as herein  
104 described and subsequent ratification as described in paragraph  
105 (a): — in a county, except Worcester county, by a vote of the  
106 county commissioners; in a city having a Plan D or Plan E charter  
107 by a majority vote of its city council, in any other city in a vote  
108 by its city council approved by the mayor; in a town by vote of  
109 the board of selectmen; in a regional school district by vote of  
110 the regional district school committee and in all other districts by  
111 vote of the registered voters of the district at a district meeting.

112 (a) Upon acceptance of this section as above described the  
113 insurance advisory committee as described in Section 3 shall vote  
114 to ratify approval of said section. Failure of said committee to  
115 reach a majority vote affirming said approval shall preclude the  
116 implementation of any such plan of insurance coverage authorized  
117 under this section.