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SENATE BILL 223

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Billy J. McKibben

AN ACT

RELATING TO RETIREE HEALTH CARE; AMENDING THE RETIREE HEALTH CARE ACT TO INCREASE THE CAP ON ANNUAL RETIREE BASIC PLAN PREMIUM INCREASES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 10-7C-13 NMSA 1978 (being Laws 1990, Chapter 6, Section 13, as amended) is amended to read:

"10-7C-13. PAYMENT OF PREMIUMS ON HEALTH CARE PLANS. --

A. Each eligible retiree shall pay a monthly premium for the basic plan in an amount set by the board not to exceed the sum of fifty dollars (\$50.00) plus the amount, if any, of the compounded annual increases authorized by the board, which increases shall not exceed three percent in any fiscal year. In addition to the monthly premium for the basic plan, each current retiree and nonsalaried eligible

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1 participating entity governing authority member who becomes an  
2 eligible retiree shall also pay monthly an additional  
3 participation fee set by the board. That fee shall be five  
4 dollars (\$5.00) plus the amount, if any, of the compounded  
5 annual increases authorized by the board, which increases  
6 shall not exceed [~~three~~] nine percent in any fiscal year. The  
7 additional monthly participation fee paid by the current  
8 retirees and nonsalaried eligible participating entity  
9 governing authority members who become eligible retirees shall  
10 be a consideration and a condition for being permitted to  
11 participate in the Retiree Health Care Act. Eligible  
12 dependents shall pay monthly premiums in amounts that with  
13 other money appropriated to the fund shall cover the cost of  
14 the basic plan for the eligible dependents.

15 B. Eligible retirees and eligible dependents shall  
16 pay monthly premiums to cover the cost of the optional plans  
17 that they elect to receive, and the board shall adopt rules  
18 for the collection of additional premiums from eligible  
19 retirees and eligible dependents participating in the optional  
20 plans. An eligible retiree or eligible dependent may  
21 authorize the authority in writing to deduct the amount of  
22 these premiums from the monthly annuity payments, if  
23 applicable.

24 C. The participating employers, active employees  
25 and retirees are responsible for the financial viability of

1 the program. The overall financial viability is not an  
2 additional financial obligation of the state."

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