

# Hall of the House of Representatives

95th General Assembly - Regular Session, 2025

## Amendment Form

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### Subtitle of House Bill 1327

TO AMEND THE LAW CONCERNING THE ELIGIBILITY OF CERTAIN RETIRED  
EMPLOYEES UNDER THE STATE AND PUBLIC SCHOOL LIFE AND HEALTH  
INSURANCE PROGRAM.

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### Amendment No. 1 to House Bill 1327

Amend House Bill 1327 as originally introduced:

Delete everything after the enacting clause, and substitute the following:

"SECTION 1. Arkansas Code § 21-5-411(a)(1)–(3), concerning the eligibility of certain retired employees under the State and Public School Life and Health Insurance Program, are amended to read as follows:

(a)(1) State employee retirees and public school retirees are qualified to enroll in the State and Public School Life and Health Insurance Program as retirees if they:

(A) Have participated in the ~~program~~ State and Public School Life and Health Insurance Program for at least five (5) cumulative years before retirement ~~as participating~~ and are also vested members of:

(i) The Arkansas Public Employees' Retirement System, including the members of the legislative division and the contract personnel of the Arkansas National Guard;

(ii) The Arkansas Teacher Retirement System;

(iii) The Arkansas State Highway Employees' Retirement System;

(iv) The Arkansas Judicial Retirement System; or

(v) An alternate retirement plan as defined in § 24-7-202; and

(B) Are retired ~~and drawing benefits under~~ as determined by one (1) or more of the retirement systems listed under subdivision



(a)(1)(A) of this section.

(2)(A)(i) If a state employee retiree or a public school employee retiree who is a member of a retirement system listed under subdivision (a)(1)(A) of this section receives retirement benefits, thereby becoming an active retiree, and has participated in the ~~program~~ State and Public School Life and Health Insurance Program for at least five (5) cumulative years before retirement, the active retiree may elect to enroll in the ~~program~~ State and Public School Life and Health Insurance Program.

(ii) The election to enroll in the ~~program~~ State and Public School Life and Health Insurance Program shall be made within thirty (30) days of the state employee retiree's or public school employee retiree's becoming an active retiree and shall be made ~~in writing~~ to the Employee Benefits Division on forms required by the division.

(B)(i) ~~To~~ Except when prohibited by federal law, to be eligible to continue coverage or to qualify for coverage after electing to decline participation in the ~~program~~ State and Public School Life and Health Insurance Program, the retiree must have been covered for at least five (5) cumulative years before the retiree's employment ended.

(ii) ~~If~~ Except when prohibited by federal law, if a retiree declines to participate in the ~~program~~ State and Public School Life and Health Insurance Program at the time of retirement because the retiree is already covered under another employer-sponsored group health insurance policy, the retiree may make a one-time election to participate in the ~~program~~ State and Public School Life and Health Insurance Program if the retiree experiences a qualifying event with proof of continued insurance coverage at the time of open enrollment and documentation that the retiree was covered under the ~~program~~ State and Public School Life and Health Insurance Program for at least five (5) cumulative years before retirement.

(C)(i) Except as provided in subdivision (a)(2)(C)(ii) of this section, an active retiree's failure to make an election to participate in the ~~program~~ State and Public School Life and Health Insurance Program during the thirty-day election period or an active retiree's election to decline participation in the ~~program~~ State and Public School Life and Health Insurance Program is final.

(ii) If an active retiree declines participation in the ~~program~~ State and Public School Life and Health Insurance Program because

the active retiree has health insurance coverage through another employer group health ~~plan~~ program and the active retiree's coverage was subsequently terminated because of a loss of eligibility, as defined by Internal Revenue Service regulations, and provides information from the former insurance company of the loss of eligibility, then the active retiree shall qualify for participation in the ~~program~~ State and Public School Life and Health Insurance Program upon confirmation that the active retiree participated in the ~~program~~ State and Public School Life and Health Insurance Program for at least five (5) cumulative years before retirement and payment of the appropriate premium as determined by the State Board of Finance under subdivision (a)(5) of this section if the active retiree applies for participation in the ~~program~~ State and Public School Life and Health Insurance Program within thirty (30) days of the loss of eligibility.

(3)(A) Notwithstanding any other provision to the contrary in this section, a state employee or public school employee who has five (5) cumulative years of participation in the ~~program~~ State and Public School Life and Health Insurance Program before retirement and ten (10) or more years of creditable service under the terms of a retirement ~~plan~~ program listed in this section shall qualify for continued participation in the ~~program~~ State and Public School Life and Health Insurance Program if the state employee or public school employee is separated from employment because of the expiration of a fixed period of employment.

(B)(i) A state employee or public school employee qualifying for continued participation in the ~~program~~ State and Public School Life and Health Insurance Program under this subsection shall be considered an inactive retiree and shall have thirty-one (31) days from the effective date of termination to elect to continue participation in the ~~program~~ State and Public School Life and Health Insurance Program under this section by notifying the division.

(ii) The election to continue participation in the ~~program~~ State and Public School Life and Health Insurance Program shall be made in writing on forms required by the division.

(C)(i) Except as provided in subdivision (a)(2)(B)(ii) of this section, an inactive retiree's failure to elect to continue participation in the ~~program~~ State and Public School Life and Health Insurance Program during the thirty-day election period or an inactive

retiree's election to decline participation in the ~~program~~ State and Public School Life and Health Insurance Program is final.

(ii) If an inactive retiree as described in subdivision (a)(3)(B) of this section declines participation in the ~~program~~ State and Public School Life and Health Insurance Program because the inactive retiree has health insurance coverage through another employer-sponsored group health ~~plan~~ program and the inactive retiree's coverage is subsequently terminated because of a loss of eligibility, then the inactive retiree and any dependents shall qualify for participation in the ~~program~~ State and Public School Life and Health Insurance Program if, within thirty (30) days of the inactive retiree's involuntary loss of coverage, the inactive retiree submits to the board:

(a) Payment of the appropriate premium as determined by the board under subdivision (a)(5) of this section;

(b) Proof that, until the inactive retiree's involuntary loss of coverage through another employer-sponsored group health ~~plan~~ program, the coverage had been continuous; and

(c) Proof that the inactive retiree participated in the ~~program~~ State and Public School Life and Health Insurance Program for at least five (5) cumulative years before retirement.

(D) An eligible inactive retiree shall be reclassified as an active retiree upon electing to receive a retirement benefit by a retirement system listed under subdivision (a)(1)(A) of this section and shall be charged the premium rate appropriate for his or her rating category as an active retiree as determined by the board under subdivision (a)(5) of this section.

SECTION 2. Arkansas Code § 21-5-411(d)(2)(B), concerning the eligibility of dependents of certain retired employees under the State and Public School Life and Health Insurance Program, is amended to read as follows:

(B) Subsequent to the active or inactive retiree's declination of health insurance coverage for the dependent under subdivision (d)(2)(A) of this section, the dependent involuntarily lost his or her employer-sponsored group health insurance coverage, and the loss of health insurance coverage was not the result of:

(i) Fraud; or

(ii) Voluntary cessation of premium payment while the active or inactive retiree was covered by a ~~plan~~ program option offered under the ~~program~~ State and Public School Life and Health Insurance Program; and"

The Amendment was read \_\_\_\_\_  
By: Representative Warren  
ANS205/ANS - 02-03-2025 01:14:21  
ANS205 \_\_\_\_\_ Chief Clerk