S T A T E O F N E W Y O R K

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I N S E N A T E

January 23, 2015

Introduced by Sens. FARLEY, AKSHAR, LARKIN, MARCHIONE -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee and committed to the Committee on Finance -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, passed by Senate and delivered to the Assembly, recalled, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 2 of section 92-a of the general municipal law, as amended by chapter 805 of the laws of 1984 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended and a new subdivision 2-a is added to read as follows:

2. [A] CONSISTENT WITH THE PROVISIONS OF SUBDIVISION TWO-A OF THIS SECTION, A public corporation may contract with a non-profit membership corporation, organized under article forty-three of the insurance law and approved by the superintendent of financial services and the state board of social welfare, or with any insurance company authorized to do business in this state for the purpose of furnishing medical and surgical services and hospital service as defined in such article forty-three, or medical and surgical and hospital insurance to persons who contract with such non-profit membership corporation or insurance company, or who subscribe to a plan or plans, as hereinafter provided. Any such contract entered into by a public corporation shall permit any officer or employee or group of officers or employees of an agency or

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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department of the public corporation voluntarily to subscribe to a plan or plans providing for medical and surgical and hospital insurance for, or medical and surgical services and hospital service to, such officers or employees and their families. Any such contract entered into by a public corporation may, if authorized by the governing board or body and subject to such conditions, limitations and eligibility requirements as may be fixed by such board or body, permit any retired officers and employees or group of retired officers and employees of an agency or department of the public corporation voluntarily to subscribe to such a plan or plans to provide such insurance for or service to themselves and their families. The comptroller or other disbursing officer of the public corporation, or of any fund out of which officers or employees of such public corporation are paid, is authorized to deduct from the wages or salary of such contracting or subscribing officer or employee, with his prior consent, in writing, the sums required to be paid by such officer or employee to such non-profit membership corporation or insurance company. Such public corporation, if such contract or plan provides that the employer shall contribute a share of the cost of such medical and surgical services and hospital service, or medical and surgical and hospital insurance, for its officers and employees or retired officers and employees, is authorized to appropriate a sum required to be paid under such contract by the public corporation as employer. The sum to be paid by it under such contract, in the discretion of such public corporation, may be any percentage of the total cost including the whole thereof. Where the compensation of any officer or employee whose position is covered by medical and surgical services and hospital service or medical and surgical and hospital insurance pursuant to this section is paid from a special or administrative fund provided for by law, the contributions required to be paid by the public corporation for such coverage shall be paid from such special or administrative fund. The public corporation shall be authorized to pay directly to such non-profit membership corporation or to such insurance company, the total of such appropriation and of such officer and employee deductions.

2-A. NINETY DAYS PRIOR TO THE GOVERNING BOARD OF A PUBLIC CORPORATION AUTHORIZING OR APPROVING A CONTRACT OR PLAN OF HEALTH INSURANCE, OR AN AMENDMENT THERETO, FOR RETIRED OFFICERS, RETIRED EMPLOYEES, OR THEIR FAMILIES PURSUANT TO SUBDIVISION TWO OF THIS SECTION, THE PUBLIC CORPORATION SHALL GIVE WRITTEN NOTICE OF SUCH PROPOSED CONTRACT, PLAN OR AMENDMENT, TO THE RETIRED OFFICERS, RETIRED EMPLOYEES, OR THEIR FAMILIES WHO ARE COVERED UNDER SUCH CONTRACT OR PLAN. WHERE THE CONTRACT, PLAN OR AMENDMENT IS CONTRACTED FOR AS PART OF NEGOTIATIONS BETWEEN A PUBLIC CORPORATION AND A RECOGNIZED AND CERTIFIED EMPLOYEE ORGANIZATION PURSUANT TO ARTICLE FOURTEEN OF THE CIVIL SERVICE LAW, SUCH WRITTEN NOTICE SHALL BE GIVEN AT THE TIME SUCH HEALTH INSURANCE CONTRACT IS BINDING ON THE COVERED RETIRED OFFICERS, RETIRED EMPLOYEES, OR THEIR FAMILIES. SUCH WRITTEN NOTICE SHALL CONTAIN EITHER: (A) THE FULL TEXT OF SUCH PROPOSED CONTRACT, PLAN OR AMENDMENT AND ANY RELEVANT FINANCIAL INFORMATION INCLUDING, BUT NOT LIMITED TO THE COST OF THE PROPOSED CONTRACT, PLAN OR AMENDMENT TO THE PUBLIC CORPORATION AND THE COST TO THE COVERED RETIRED OFFICERS, RETIRED EMPLOYEES, OR THEIR FAMILIES; OR (B) THE GENERAL TERMS OF THE PROPOSED CONTRACT, PLAN OR AMENDMENT ALONG WITH THE PHYSICAL LOCATION AND WEB ADDRESS TO A SECURE WEBSITE WHERE THE COVERED RETIRED OFFICERS, RETIRED EMPLOYEES OR THEIR FAMILY MEMBERS CAN OBTAIN THE FULL TEXT OF SUCH PROPOSED CONTRACT, PLAN OR AMENDMENT AND ANY RELEVANT FINANCIAL INFORMATION INCLUDING, BUT NOT LIMITED TO THE COST OF THE PROPOSED CONTRACT, PLAN OR AMENDMENT TO THE PUBLIC CORPORATION AND THE

COST TO THE COVERED RETIRED OFFICERS, RETIRED EMPLOYEES, OR THEIR FAMILIES.

S 2. This act shall take effect immediately and shall apply to any health insurance contract or plan entered into, renewed, modified, or amended on or after such effective date.