

FINAL

AMENDED
November 18, 2013
December 2 and 16, 2013

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2013, Legislative Day No. 38

Bill No. 85-13

Introduced by Mr. Benoit

By the County Council, October 7, 2013

Introduced and first read on October 7, 2013
Public Hearing set for November 4, 2013
Bill AMENDED on November 18, 2013
Public Hearing on AMENDED BILL set for and held on December 2, 2013
Public Hearing on SECOND AMENDED BILL set for and held on December 16, 2013
Public Hearing on THIRD AMENDED BILL set for and held on January 6, 2014
Bill Expires January 10, 2014

By Order: Elizabeth E. Jones, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Finance, Taxation and Budget and Personnel – Reserve
2 Fund for Retiree Health Benefits Financial Assurance Fund and County Employee
3 and Retiree Health Benefits Program
4

5 FOR the purpose of requiring ~~an appropriation request to~~ a plan for funding of the
6 Reserve Fund for Retiree Health Benefits; establishing County Employee Benefits
7 and Retiree Health Benefits program; defining certain terms; providing for
8 participation in the program and ensuring limitations on the program; providing a
9 calculation for costs of benefits and employer subsidies; providing for Medicare and
10 Medicare supplement; establishing a procedure for applying for benefits; permitting
11 health care spending accounts; providing for the duties and powers of the Personnel
12 Officer under the Program; providing for the solicitation for bids or invitation for
13 proposals of competitive health insurance plans at certain intervals; and generally
14 related to employee and retiree health benefits.
15

16 BY renumbering: §§ 4-11-117 and 4-11-118 to be §§ 4-11-118 and ~~4-119~~ 4-11-119 and
17 8-2-111 through 8-2-119 to be 8-2-112 through 8-2-120, respectively
18 Anne Arundel County Code (2005, as amended)
19

EXPLANATION: CAPITALS indicate new matter added to existing law.
[Brackets] indicate matter stricken from existing law.
Underlining indicates amendments to bill.
~~Strikeover~~ indicates matter stricken from bill by amendment.

1 BY repealing: § 6-1-308
2 Anne Arundel County Code (2005, as amended)

3
4 BY adding: §§ 4-11-117, ~~and 6-1-308~~ and 8-2-111
5 Anne Arundel County Code (2005, as amended)

6
7 SECTION 1. *Be it enacted by the County Council of Anne Arundel County,*
8 *Maryland,* That §§ 4-11-117 and 4-11-118 ~~and 8-2-111~~ through 8-2-119 of the Anne
9 Arundel County Code (2005, as amended) are hereby renumbered to be §§ 4-11-118 and
10 4-11-119 ~~and 8-2-112~~ through 8-2-120, respectively:

11
12 SECTION 2. *Be it further enacted by the County Council of Anne Arundel County,*
13 *Maryland,* That § 6-1-308 of the Anne Arundel County Code (2005, as amended) is
14 hereby repealed.

15
16 SECTION 3. *Be it further enacted by the County Council of Anne Arundel County,*
17 *Maryland,* That Section(s) of the Anne Arundel County Code (2005, as amended) read as
18 follows:

19
20 **ARTICLE 4. FINANCE, TAXATION AND BUDGET**

21
22 **TITLE 11. BUDGET**

23
24 **~~4-11-117. Reserve Fund for Retiree Health Benefits~~**

25
26 ~~(A) THE CURRENT EXPENSE BUDGET PROPOSED BY THE COUNTY EXECUTIVE FOR~~
27 ~~FISCAL YEAR 2015 SHALL INCLUDE AN APPROPRIATION OF \$25,000,000 TO THE RESERVE~~
28 ~~FUND FOR RETIREE HEALTH BENEFITS. THIS AMOUNT SHALL BE IN ADDITION TO THE~~
29 ~~APPROPRIATION REQUESTED IN THE FISCAL YEAR 2015 CURRENT EXPENSE BUDGET FOR~~
30 ~~RETIREE MEDICAL BENEFITS FUNDED ON A PAY AS YOU GO BASIS IN THE CURRENT~~
31 ~~EXPENSE BUDGET.~~

32
33 ~~(B) THE CURRENT EXPENSE BUDGET PROPOSED BY THE COUNTY EXECUTIVE FOR~~
34 ~~FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER SHALL INCLUDE AN~~
35 ~~APPROPRIATION TO THE RESERVE FUND FOR RETIREE HEALTH BENEFITS IN AN AMOUNT~~
36 ~~EQUAL TO THE LESSER OF (1) THE ACTUARIAL REQUIRED CONTRIBUTION AS~~
37 ~~DETERMINED BY THE COUNTY'S ACTUARY UNDER GOVERNMENTAL ACCOUNTING~~
38 ~~STANDARDS BOARD STATEMENT NUMBER 45 LESS THE APPROPRIATION REQUESTED FOR~~
39 ~~RETIREE MEDICAL BENEFITS FUNDED ON A PAY AS YOU GO BASIS IN THE CURRENT~~
40 ~~EXPENSE BUDGET, OR (2) 10% MORE THAN THE AMOUNT PROPOSED BY THE COUNTY~~
41 ~~EXECUTIVE FOR APPROPRIATION TO THE RESERVE FUND FOR RETIREE HEALTH BENEFITS~~
42 ~~IN THE PRIOR FISCAL YEAR'S CURRENT EXPENSE BUDGET.~~

43
44 **4-11-117. Funding of the Reserve Fund for Retiree Health Benefits.**

45
46 (A) Funding plan required. ON OR BEFORE MAY 1, 2014 THE COUNTY EXECUTIVE
47 SHALL SUBMIT TO THE COUNTY COUNCIL A FIVE-YEAR PLAN FOR FUNDING THE
48 RESERVE FUND FOR RETIREE HEALTH BENEFITS ESTABLISHED BY § 718(I) OF THE
49 COUNTY CHARTER.

50
51 (B) Contents of plan. THE PLAN SHALL INCLUDE RECOMMENDATIONS FOR:

1 (1) STANDARDS FOR DETERMINING THE AFFORDABILITY OF RETIREE HEALTH
2 BENEFITS THAT CONSIDER FUTURE SPENDING LEVELS FOR THE BENEFITS AND THE
3 ABILITY OF COUNTY TAXPAYERS TO FUND THE BENEFITS IN ADDITION TO THE VALUE OF
4 THE BENEFITS TO RETIREES;

5
6 (2) ANY CHANGES TO THE COUNTY'S RETIREE HEALTH BENEFITS PROGRAM,
7 INCLUDING ANY CHANGES TO THE NATURE AND SCOPE OF THE BENEFITS THEMSELVES,
8 NECESSARY TO STAY WITHIN THE RECOMMENDED AFFORDABILITY STANDARDS;

9
10 (3) APPROPRIATIONS TO THE RESERVE FUND FOR RETIREE HEALTH BENEFITS FOR
11 EACH OF THE NEXT FIVE FISCAL YEARS, BEGINNING WITH FISCAL YEAR 2015; AND

12
13 (4) A MEANS OF FUNDING RETIREE HEALTH BENEFITS THAT STAYS WITHIN THE
14 RECOMMENDED AFFORDABILITY STANDARDS, TO INCLUDE CONSIDERATION OF
15 FUNDING RETIREE HEALTH BENEFITS ON AN ACTUARIAL BASIS BY CONTRIBUTIONS
16 FROM BOTH THE COUNTY AND EMPLOYEES WHILE THE FUTURE RETIREES ARE ACTIVELY
17 EMPLOYED BY THE COUNTY.

18
19 (C) **Advisory committee.** THE COUNTY EXECUTIVE SHALL APPOINT AN ADVISORY
20 COMMITTEE TO REVIEW AND COMMENT ON THE PLAN THAT INCLUDES AS MEMBERS
21 EMPLOYEES AND RETIREES AS WELL AS CITIZENS NOT HAVING A DIRECT FINANCIAL
22 INTEREST IN THE COUNTY'S RETIREE HEALTH BENEFITS PROGRAM.

ARTICLE 6. PERSONNEL

TITLE 1. CLASSIFIED SERVICE

6-1-308. County Employee and Retiree Health Benefits Program.

23
24
25
26
27
28
29
30 (A) **Definitions.** IN THIS SECTION, THE FOLLOWING WORDS HAVE THE MEANINGS
31 INDICATED.

32
33 (1) "ACTUAL PLAN SERVICE" HAS THE MEANING STATED IN § 5-1-101 OF THIS
34 CODE DEFINING A TYPE OF CREDITED SERVICE RECOGNIZED FOR PURPOSES OF
35 DETERMINING THE ENTITLEMENT TO A PENSION BENEFIT UNDER ARTICLE 5 OF THIS
36 CODE.

37
38 (2) "CHILD" INCLUDES AN ADOPTED CHILD, BIOLOGICAL CHILD, OR STEPCHILD.

39
40 (3) "COMPARABLE" MEANS SUBSTANTIALLY THE SAME, BUT NOT IDENTICAL,
41 BENEFITS, COVERAGE AND SERVICES AS A CURRENT PLAN, EITHER IN OR OUT OF STATE.

42
43 (4) "CONNECTOR ENTITY" MEANS AN ORGANIZATION THAT IDENTIFIES AND
44 PROVIDES INFORMATION ON QUALIFIED INDIVIDUAL NAVIGATOR ENTITIES AND HEALTH
45 INSURANCE EXCHANGES TO INDIVIDUALS SEEKING TO ENROLL IN A HEALTH CARE
46 PLAN.

47
48 (5) "CREDITED SERVICE" HAS THE MEANING STATED IN § 5-1-101 OF THIS CODE
49 DEFINING THE PERIOD OF SERVICE RECOGNIZED FOR PURPOSES OF DETERMINING THE
50 ENTITLEMENT TO A PENSION BENEFIT UNDER ARTICLE 5 OF THIS CODE.

51
52 (6) "DEPENDENT" MEANS A PERSON ENTITLED TO RECEIVE HEALTH INSURANCE
53 BENEFITS UNDER THE PROGRAM BASED ON A FAMILIAL RELATIONSHIP WITH AN
54 EMPLOYEE OR RETIREE RECEIVING HEALTH INSURANCE BENEFITS UNDER THE
55 PROGRAM.

56
57 (7) "DROP PARTICIPANT PERIOD" HAS THE MEANING STATED IN § 5-1-501(4) OF

1 THIS CODE DEFINING THE TERM THAT AN EMPLOYEE PARTICIPATES IN THE DEFERRED
2 RETIREMENT OPTION PROGRAM UNDER ARTICLE 5 OF THIS CODE.

3
4 (8) "EMPLOYEE" MEANS:

5
6 (I) A PERSON CURRENTLY EMPLOYED BY AN EMPLOYER;

7
8 (II) THE ANNE ARUNDEL COUNTY STATE'S ATTORNEY;

9
10 (III) THE ANNE ARUNDEL COUNTY SHERIFF;

11
12 (IV) AN EMPLOYEE OF THE ANNE ARUNDEL COUNTY BOARD OF LICENSE
13 COMMISSIONERS ELIGIBLE TO PARTICIPATE IN THE EMPLOYEE'S RETIREMENT PLAN
14 UNDER ARTICLE 5 OF THIS CODE.

15
16 (9) "EMPLOYEE HEALTH INSURANCE PLAN" MEANS A HEALTH INSURANCE PLAN
17 AVAILABLE TO EMPLOYEES AND THEIR DEPENDENTS.

18
19 (10) "EMPLOYER" MEANS:

20
21 (I) ANNE ARUNDEL COUNTY, MARYLAND;

22
23 (II) THE CIRCUIT COURT FOR ANNE ARUNDEL COUNTY;

24
25 (III) THE OFFICE OF THE ANNE ARUNDEL COUNTY STATE'S ATTORNEY;

26
27 (IV) THE OFFICE OF THE ANNE ARUNDEL COUNTY SHERIFF; AND

28
29 (V) THE ANNE ARUNDEL COUNTY SOIL CONSERVATION DISTRICT.

30
31 (11) "EMPLOYER SUBSIDY" MEANS THAT PERCENTAGE OF THE ANNUAL COSTS OF
32 PROVIDING BENEFITS UNDER A PLAN TO BE PAID BY AN EMPLOYER AS DETERMINED IN
33 ACCORDANCE WITH SUBSECTION (I).

34
35 (12) "HEALTH INSURANCE BENEFIT OPTIONS" MEANS THE TYPES AND
36 COMPONENTS OF HEALTH INSURANCE PLANS OFFERED TO EMPLOYEES AND RETIREES,
37 INCLUDING:

38
39 (I) THE STRUCTURES OF HEALTH INSURANCE PLANS, INCLUDING HEALTH
40 MAINTENANCE ORGANIZATIONS, PARTICIPATING PROVIDER ORGANIZATIONS, POINT OF
41 SERVICE PLANS, FEE FOR SERVICE PLANS, AND CONSUMER-DIRECTED HEALTH PLANS;

42
43 (II) COVERED BENEFITS, INCLUDING MEDICAL, DENTAL, PRESCRIPTION DRUG,
44 AND VISION BENEFITS, AND THE MANNER OF PROVIDING THE COVERED BENEFITS,
45 INCLUDING GROUP HEALTH PLANS AND HEALTH INSURANCE EXCHANGES;

46
47 (III) COST-SHARING PLAN FEATURES, INCLUDING DEDUCTIBLES, CO-PAYS,
48 COINSURANCE, AND OUT-OF-POCKET MAXIMUMS; AND

49
50 (IV) COST-CONTROLLING PLAN FEATURES, INCLUDING PRIOR APPROVAL
51 REQUIREMENTS, PRESCRIPTION FORMULARIES, AND EXCLUSIONS OF TREATMENTS AND
52 SERVICES.

53
54 (13) "HEALTH INSURANCE PLAN" MEANS THE HEALTH INSURANCE BENEFIT
55 OPTIONS AVAILABLE TO A PARTICIPANT UNDER THE PROGRAM.

56
57 ~~(14) "MEDICARE SUPPLEMENT" MEANS A HEALTH INSURANCE PLAN THAT~~
58 ~~SUPPLEMENTS THE BENEFITS AVAILABLE UNDER MEDICARE WITH THE COUNTY OR~~
59 ~~OTHER INSURER AS A SECONDARY PAYER INCLUDING A MEDICARE ADVANTAGE PLAN, A~~

1 ~~PRESCRIPTION DRUG PLAN, AND AN EMPLOYER GROUP WAIVER PLAN.~~

2
3 (14) "MEDICARE SUPPLEMENT" MEANS A HEALTH INSURANCE PLAN THAT
4 SUPPLEMENTS THE BENEFITS AVAILABLE UNDER MEDICARE WITH THE COUNTY OR
5 OTHER INSURER AS A SECONDARY PAYER AND MAY INCLUDE:

6
7 (I) A MEDICARE ADVANTAGE PLAN THAT INCLUDES PRESCRIPTION DRUG
8 COVERAGE;

9
10 (II) A MEDICARE ADVANTAGE PLAN THAT DOES NOT INCLUDE PRESCRIPTION
11 DRUG COVERAGE IN ADDITION TO PRESCRIPTION DRUG COVERAGE; OR

12
13 (III) A MEDICARE SUPPLEMENT PLAN F IN ADDITION TO PRESCRIPTION DRUG
14 COVERAGE.

15
16 THE PRESCRIPTION DRUG COVERAGE MAY BE PROVIDED THROUGH AN EMPLOYER
17 GROUP WAIVER PLAN.

18
19 (15) "NAVIGATOR ENTITY" MEANS A COMMUNITY-BASED ORGANIZATION OR
20 OTHER ENTITY OR PARTNERSHIP THAT EMPLOYS OR ENGAGES INDIVIDUALS TO ASSIST
21 WITH THE IDENTIFICATION OF AND ENROLLMENT IN A QUALIFIED HEALTH CARE PLAN
22 OR HEALTH INSURANCE EXCHANGE AS WELL AS PROVIDING COUNSELING ON TAX
23 IMPLICATIONS OF THE PLAN SELECTION AND EVALUATION OF EMPLOYER-SPONSORED
24 PLANS.

25
26 (16) "PARTICIPANT" MEANS A PERSON RECEIVING HEALTH INSURANCE BENEFITS
27 UNDER THE PROGRAM.

28
29 (17) "PROGRAM" MEANS THE COUNTY EMPLOYEE AND RETIREE HEALTH
30 BENEFITS PROGRAM.

31
32 (18) "RETIREE" MEANS A FORMER EMPLOYEE OTHER THAN A SCHOOL CROSSING
33 GUARD WHO RECEIVES A PENSION UNDER ARTICLE 5 OF THIS CODE, INCLUDING A
34 PENSION BASED ON A SERVICE-CONNECTED OR NON-SERVICE CONNECTED DISABILITY.
35 "RETIREE" ALSO INCLUDES A FORMER EMPLOYEE OF THE DOMESTIC RELATIONS
36 DIVISION OF THE ANNE ARUNDEL COUNTY CIRCUIT COURT ELIGIBLE TO PARTICIPATE IN
37 A COUNTY RETIREE HEALTH INSURANCE PLAN UNDER THE COURTS AND JUDICIAL
38 PROCEEDINGS ARTICLE, § 2-510(E) OF THE STATE CODE.

39
40 (19) "RETIREE HEALTH INSURANCE PLAN" MEANS A HEALTH INSURANCE PLAN
41 AVAILABLE TO RETIREES AND THEIR DEPENDENTS AND TO SURVIVORS OF EMPLOYEES
42 AND RETIREES, AND DOES NOT INCLUDE A MEDICARE SUPPLEMENT.

43
44 (20) "SURVIVOR" MEANS A PERSON ENTITLED TO RECEIVE HEALTH INSURANCE
45 BENEFITS UNDER THE PROGRAM BASED ON THE DEATH OF A FAMILY MEMBER WHO WAS
46 AN EMPLOYEE OR RETIREE WHO PARTICIPATED IN THE PROGRAM.

47
48 (21) "TERMINATED VESTED EMPLOYEE" MEANS A FORMER EMPLOYEE WHO,
49 PRIOR TO TERMINATION, VESTED IN THE BENEFITS OF THE EMPLOYEES' RETIREMENT
50 PLAN OR THE DETENTION OFFICERS' AND DEPUTY SHERIFFS' RETIREMENT PLAN AND IS
51 ELIGIBLE TO RECEIVE A PENSION UNDER ARTICLE 5 OF THIS CODE ON THE DATE
52 SPECIFIED IN THE PLAN.

53
54 (22) "TRANSFERRED SERVICE" HAS THE MEANING STATED IN § 5-1-101 OF THIS
55 CODE DEFINING A TYPE OF CREDITED SERVICE RECOGNIZED FOR THE PURPOSES OF
56 DETERMINING THE ENTITLEMENT TO A PENSION UNDER ARTICLE 5 OF THIS CODE.

57
58 **(B) Establishment and status of Program.**

1 (1) THERE IS A COUNTY EMPLOYEE AND RETIREE HEALTH BENEFITS PROGRAM
2 ADMINISTERED BY THE PERSONNEL OFFICER THAT ~~MAY SHALL~~ INCLUDE INSURANCE
3 FOR MEDICAL, ~~DENTAL, AND VISION CARE~~ AND FOR PRESCRIPTION DRUGS AND MAY
4 INCLUDE INSURANCE FOR DENTAL AND VISION CARE AS PROVIDED IN THIS SECTION.
5

6 (2) ~~THE HEALTH INSURANCE PLAN WITH THE LOWEST ESTIMATED ANNUAL COST~~
7 ~~DETERMINED UNDER SUBSECTION (H) SHALL BE COMPARABLE TO THE HEALTH~~
8 ~~MAINTENANCE ORGANIZATION PLAN OFFERED TO EMPLOYEES AND RETIREES ON OR~~
9 ~~BEFORE THE EFFECTIVE DATE OF BILL NO. 85-13 REFERRED TO IN SUBSECTION (1)(4)~~
10 SHALL HAVE AN ACTUARIAL VALUE OF NO LESS THAN 85%, EXCEPT THAT FOR HEALTH
11 INSURANCE PLANS OFFERED FOR TAX YEARS BEGINNING AFTER DECEMBER 31, 2017, THE
12 HEALTH INSURANCE PLAN WITH THE LOWEST ESTIMATED ANNUAL COST DETERMINED
13 UNDER SUBSECTION (H) SHALL BE THE PLAN THAT OFFERS THE HIGHEST COVERAGE
14 AMOUNTS POSSIBLE WITHOUT BEING SUBJECT TO AN EXCISE TAX IMPOSED BY THE
15 PATIENT PROTECTION AND AFFORDABLE CARE ACT.
16

17 (3) ~~THE ESTABLISHMENT OF THE PROGRAM AND THE OFFERING OF BENEFITS~~
18 ~~UNDER THE PROGRAM CREATES A CONTRACTUAL OBLIGATION ON THE PART OF THE~~
19 ~~COUNTY TO PROVIDE RETIREE HEALTH INSURANCE OR A MEDICARE SUPPLEMENT TO~~
20 ~~RETIREES AND THEIR ELIGIBLE SPOUSES, DEPENDENTS, AND SURVIVORS AND TO~~
21 ~~PROVIDE AN EMPLOYER SUBSIDY TO RETIREES AT THE PERCENTAGE SET FORTH IN THIS~~
22 ~~SECTION IN EFFECT ON THE RETIREE'S RETIREMENT DATE.~~
23

24 (4) ~~THE PROGRAM, HEALTH INSURANCE BENEFIT OPTIONS, AND HEALTH~~
25 ~~INSURANCE PLANS OFFERED TO EMPLOYEES ARE NOT SUBJECT TO COLLECTIVE~~
26 ~~BARGAINING OR BINDING ARBITRATION EXCEPT AS PROVIDED IN SUBSECTION (1)(5).~~
27

28 (4) (3) THE HEALTH INSURANCE BENEFIT OPTIONS, HEALTH INSURANCE PLANS,
29 AND EMPLOYER SUBSIDIES FOR RETIREES AND SURVIVORS ARE NOT SUBJECT TO
30 COLLECTIVE BARGAINING. EMPLOYER SUBSIDIES FOR EMPLOYEES ARE SUBJECT TO
31 COLLECTIVE BARGAINING IN ACCORDANCE WITH SUBSECTION (1)(5). THE HEALTH
32 INSURANCE BENEFIT OPTIONS AND HEALTH INSURANCE PLANS OFFERED TO EMPLOYEES
33 ARE NOT SUBJECT TO COLLECTIVE BARGAINING. HOWEVER, BEFORE BEGINNING
34 COLLECTIVE BARGAINING OVER EMPLOYER SUBSIDIES IN ACCORDANCE WITH
35 SUBSECTION (1)(5) THE PERSONNEL OFFICER SHALL CONSULT WITH AND CONSIDER THE
36 COMMENTS BY EXCLUSIVE REPRESENTATIVES ON THE HEALTH INSURANCE BENEFIT
37 OPTIONS AND HEALTH INSURANCE PLAN OR PLANS THAT THE PERSONNEL OFFICER
38 PROPOSES TO OFFER TO EMPLOYEES.
39

40 (5) (4) THE COUNTY RETAINS THE DISCRETION TO MAKE CHANGES TO THE
41 PROGRAM BY ORDINANCE OF THE COUNTY COUNCIL, INCLUDING CHANGES TO
42 EMPLOYER SUBSIDIES, AND TO APPLY THOSE CHANGES TO CURRENT EMPLOYEES WHO
43 ARE NOT REPRESENTED BY AN EXCLUSIVE REPRESENTATIVE SELECTED IN ACCORDANCE
44 WITH TITLE 4 ALL PARTICIPANTS, PROVIDED THAT NO CHANGES MAY BE MADE TO AN
45 EMPLOYER SUBSIDY;
46

47 (I) NEGOTIATED IN ACCORDANCE WITH SUBSECTION (1)(5); OR
48

49 (II) APPLICABLE TO A RETIREE AFTER THE RETIREE RETIRES, ALTHOUGH
50 CHANGES MAY BE MADE TO THE EMPLOYER SUBSIDY APPLICABLE TO THE DEPENDENTS
51 OF A RETIREE AFTER THE RETIREE RETIRES;
52

53 **(C) Participation in the Program; limitations on eligibility to participate because**
54 **of other or duplicate health care insurance.**
55

56 (1) EFFECTIVE JANUARY 1, 2016, AN EMPLOYEE ELIGIBLE TO PARTICIPATE IN THE
57 PROGRAM WHO IS THE SPOUSE OF ANOTHER EMPLOYEE WHO ALSO IS ELIGIBLE TO

1 PARTICIPATE IN THE PROGRAM SHALL BE COVERED UNDER THE EMPLOYEE'S OWN PLAN
2 UNLESS AN ELECTION IS MADE BY THE SPOUSE TO COVER THE EMPLOYEE UNDER THE
3 SPOUSE'S PLAN, IN WHICH CASE THE EMPLOYEE SHALL BE COVERED AS A SPOUSE BUT IS
4 NOT ENTITLED TO ANY PAYMENT OR CREDIT FOR DECLINING COVERAGE AS AN
5 EMPLOYEE.

6
7 (2) A CHILD OR GRANDCHILD ELIGIBLE TO PARTICIPATE IN THE PROGRAM MAY
8 BE COVERED ONLY UNDER THE PLAN OF ONE EMPLOYEE OR RETIREE.

9
10 (3) A RETIREE ELIGIBLE TO PARTICIPATE IN THE PROGRAM SHALL BE COVERED
11 UNDER THE PLAN OF A SPOUSE WHO IS AN EMPLOYEE ELIGIBLE TO PARTICIPATE IN THE
12 PROGRAM UNLESS THE RETIREE MAKES AN ELECTION IN THE MANNER REQUIRED BY
13 THE OFFICE OF PERSONNEL TO PARTICIPATE UNDER THE PROVISIONS OF THIS SECTION
14 APPLICABLE TO A RETIREE.

15
16 (4) THERE MAY NOT BE A DUPLICATION OF BENEFITS FOR ANY PERSON UNDER
17 MULTIPLE HEALTH INSURANCE PLANS AND, IF A PARTICIPANT OTHER THAN AN
18 EMPLOYEE IS ALSO COVERED BY A PLAN OTHER THAN A COUNTY PLAN, THEN THAT
19 OTHER PLAN SHALL BE CONSIDERED TO BE THE PRIMARY PAYER UNLESS PROHIBITED
20 BY LAW.

21
22 **(D) Participation; eligibility of employees and certain survivors.**

23
24 (1) A PERSON IS ELIGIBLE TO PARTICIPATE IN AN EMPLOYEE HEALTH INSURANCE
25 PLAN IF THE PERSON IS:

26
27 (I) A FULL-TIME EMPLOYEE OR A PART-TIME EMPLOYEE WHO WORKS 50% OR
28 MORE OF THE WORK WEEK FOR THE EMPLOYEE'S POSITION, PROVIDED THE EMPLOYEE
29 IS:

30
31 A. A CLASSIFIED EMPLOYEE;

32
33 B. AN EXEMPT EMPLOYEE IN A POSITION AUTHORIZED UNDER § 6-2-101,
34 §6-2-103, § 6-2-104, OR § 6-2-105;

35
36 C. AN EMPLOYEE OF THE ANNE ARUNDEL COUNTY BOARD OF LICENSE
37 COMMISSIONERS ELIGIBLE TO PARTICIPATE IN THE EMPLOYEE'S RETIREMENT PLAN
38 UNDER ARTICLE 5 OF THIS CODE;

39
40 D. THE STATE'S ATTORNEY;

41
42 E. A DEPUTY STATE'S ATTORNEY OR ASSISTANT STATE'S ATTORNEY
43 APPOINTED UNDER THE CRIMINAL PROCEDURES ARTICLE, § 15-403(C)(1)(I) OR § 15-
44 403(C)(1)(II) OF THE STATE CODE.

45
46 F. THE SHERIFF;

47
48 G. A CHIEF DEPUTY APPOINTED UNDER COURTS AND JUDICIAL
49 PROCEEDINGS ARTICLE, § 2-309(C)(2)(II) OF STATE CODE; OR

50
51 H. THE COUNTY EXECUTIVE;

52
53 (II) AN EMPLOYEE WHOSE ELIGIBILITY TO PARTICIPATE IS MANDATORY
54 UNDER STATE OR FEDERAL LAW; OR

55
56 (III) AN EMPLOYEE PAID UNDER THE MISCELLANEOUS EXEMPT EMPLOYEES
57 PAY AND BENEFIT PLAN WHO IS ELIGIBLE TO PARTICIPATE IN ACCORDANCE WITH THE
58 RULES AND REGULATIONS FOR MISCELLANEOUS EXEMPT EMPLOYEES ADOPTED BY THE

1 PERSONNEL OFFICER UNDER SUBSECTION (N)(9).

2
3 (2) A SURVIVING SPOUSE OF AN EMPLOYEE WHO DIED WHILE EMPLOYED BY AN
4 EMPLOYER IS ELIGIBLE TO PARTICIPATE IN THE PROGRAM IN A RETIREE HEALTH
5 INSURANCE PLAN OR A MEDICARE SUPPLEMENT IF THE SPOUSE RECEIVES PERIODIC
6 PAYMENT OF A DEATH BENEFIT AS A SURVIVING SPOUSE UNDER ARTICLE 5 OF THIS
7 CODE, NOT INCLUDING PAYMENT OF A LUMP SUM DEATH BENEFIT.

8
9 (3) A SURVIVING UNMARRIED MINOR CHILD OF AN EMPLOYEE WHO DIED WHILE
10 EMPLOYED BY AN EMPLOYER IS ELIGIBLE TO PARTICIPATE IN A RETIREE HEALTH
11 INSURANCE PLAN IF THE CHILD OR THE SURVIVING SPOUSE OF THE EMPLOYEE RECEIVES
12 PERIODIC PAYMENT OF A DEATH BENEFIT AS A SURVIVING CHILD UNDER ARTICLE 5 OF
13 THIS CODE, NOT INCLUDING PAYMENT OF A LUMP SUM DEATH BENEFIT.

14
15 **(E) Participation; eligibility of retirees, terminated vested employees, and certain**
16 **survivors.**

17
18 (1) AN EMPLOYEE HIRED BEFORE JANUARY 1, 2015 OTHER THAN A SCHOOL
19 CROSSING GUARD OR COUNTY EXECUTIVE WHO RETIRES ON OR BEFORE JANUARY 1,
20 2017 IS ELIGIBLE UPON RETIREMENT TO PARTICIPATE IN A RETIREE HEALTH INSURANCE
21 PLAN OR A MEDICARE SUPPLEMENT IF THE EMPLOYEE IS ENTITLED TO RECEIVE A
22 PENSION BENEFIT UNDER ARTICLE 5 OF THIS CODE AND IF THE EMPLOYEE WAS NOT A
23 TERMINATED VESTED EMPLOYEE.

24
25 (2) AN EMPLOYEE HIRED BEFORE JANUARY 1, 2015 OTHER THAN A SCHOOL
26 CROSSING GUARD OR COUNTY EXECUTIVE WHO RETIRES ~~ON OR~~ AFTER JANUARY 1, 2017
27 IS ELIGIBLE UPON RETIREMENT TO PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN
28 OR A MEDICARE SUPPLEMENT IF THE EMPLOYEE IS ENTITLED TO RECEIVE A PENSION
29 BENEFIT UNDER ARTICLE 5 OF THIS CODE AND HAD AT LEAST TEN YEARS OF CREDITED
30 SERVICE OR RETIRED AS A RESULT OF A DISABILITY AND IF THE EMPLOYEE WAS NOT A
31 TERMINATED VESTED EMPLOYEE.

32
33 (3) AN EMPLOYEE HIRED ON OR AFTER JANUARY 1, 2015 OTHER THAN A SCHOOL
34 CROSSING GUARD OR COUNTY EXECUTIVE IS ELIGIBLE UPON RETIREMENT TO
35 PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN OR A MEDICARE SUPPLEMENT IF
36 THE EMPLOYEE IS ENTITLED TO RECEIVE A PENSION BENEFIT UNDER ARTICLE 5 OF THIS
37 CODE AND HAD AT LEAST TEN YEARS OF ACTUAL PLAN SERVICE OR RETIRED AS A
38 RESULT OF A DISABILITY AND IF THE EMPLOYEE WAS NOT A TERMINATED VESTED
39 EMPLOYEE.

40
41 (4) A TERMINATED VESTED EMPLOYEE ~~WHOSE EMPLOYMENT TERMINATED~~
42 ~~BEFORE JANUARY 1, 2015~~ HIRED BEFORE JANUARY 1, 2014 IS ELIGIBLE UPON RETIREMENT
43 TO PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN OR A MEDICARE SUPPLEMENT.
44 A TERMINATED VESTED EMPLOYEE ~~WHOSE EMPLOYMENT TERMINATED ON OR AFTER~~
45 ~~JANUARY 1, 2015~~ HIRED ON OR AFTER JANUARY 1, 2014 IS NOT ELIGIBLE UPON
46 RETIREMENT TO PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN OR MEDICARE
47 SUPPLEMENT.

48
49 (5) A SURVIVING SPOUSE OF A RETIREE IS ELIGIBLE TO PARTICIPATE IN A
50 RETIREE HEALTH INSURANCE PLAN OR A MEDICARE SUPPLEMENT IF THE SPOUSE
51 RECEIVES A PENSION BENEFIT AS A SURVIVING SPOUSE UNDER ARTICLE 5 OF THIS CODE.

52
53 (6) A SURVIVING UNMARRIED MINOR CHILD OF A RETIREE IS ELIGIBLE TO
54 PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN IF THE SURVIVING MINOR CHILD
55 RECEIVES A PENSION PAYMENT AS A SURVIVING CHILD UNDER ARTICLE 5 OF THIS CODE
56 OR IS THE CHILD OF A SURVIVING SPOUSE ELIGIBLE TO PARTICIPATE UNDER
57 SUBSECTION (5).

1 (7) A COUNTY EXECUTIVE WHO HAS EIGHT YEARS OF ACTUAL PLAN SERVICE
2 MAY PARTICIPATE IN THE PLAN.

3
4 **(F) Participation; eligibility of dependents of employees and retirees.**

5
6 (1) THE LEGAL SPOUSE OF AN EMPLOYEE OR RETIREE AS RECOGNIZED IN THE
7 STATE OF MARYLAND, NOT INCLUDING A COMMON LAW SPOUSE, IS ELIGIBLE TO
8 PARTICIPATE IN THE PROGRAM.

9
10 (2) THE CHILD OF AN EMPLOYEE OR RETIREE IS ELIGIBLE TO PARTICIPATE IN THE
11 PROGRAM UNTIL THE END OF THE MONTH IN WHICH THE CHILD TURNS AGE 26.

12
13 (3) THE CHILD OF AN EMPLOYEE OR RETIREE IS ELIGIBLE TO PARTICIPATE IN THE
14 PROGRAM REGARDLESS OF AGE IF THE EMPLOYEE OR RETIREE MAY CLAIM THE CHILD
15 AS A DEPENDENT FOR FEDERAL INCOME TAX PURPOSES UNDER REGULATIONS
16 PUBLISHED BY THE INTERNAL REVENUE SERVICE.

17
18 (4) THE GRANDCHILD OF AN EMPLOYEE OR RETIREE IS ELIGIBLE TO PARTICIPATE
19 IN THE PROGRAM IF THE EMPLOYEE OR RETIREE IS THE LEGAL GUARDIAN OF THE
20 GRANDCHILD AND MAY CLAIM THE GRANDCHILD AS A DEPENDENT FOR FEDERAL
21 INCOME TAX PURPOSES UNDER REGULATIONS PUBLISHED BY THE INTERNAL REVENUE
22 SERVICE.

23
24 (5) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE DEPENDENT OF AN
25 EMPLOYEE SHALL PARTICIPATE IN THE EMPLOYEE'S EMPLOYEE HEALTH INSURANCE
26 PLAN AND THE DEPENDENT OF A RETIREE SHALL PARTICIPATE IN THE RETIREE'S
27 RETIREE HEALTH INSURANCE PLAN.

28
29 **(G) Participation; participants eligible for Medicare.**

30
31 (1) AN EMPLOYEE WHO OTHERWISE IS ELIGIBLE TO PARTICIPATE IN MEDICARE
32 BECAUSE THE EMPLOYEE HAS REACHED AGE 65 SHALL CONTINUE TO PARTICIPATE IN
33 THE PROGRAM UNDER AN EMPLOYEE HEALTH INSURANCE PLAN.

34
35 (2) AN EMPLOYEE'S SPOUSE WHO OTHERWISE IS ELIGIBLE TO PARTICIPATE IN
36 MEDICARE BECAUSE THE SPOUSE HAS REACHED AGE 65 SHALL CONTINUE TO
37 PARTICIPATE IN THE PROGRAM UNDER THE EMPLOYEE'S HEALTH INSURANCE PLAN.

38
39 (3) A RETIREE OR A RETIREE'S SPOUSE WHO IS ELIGIBLE TO PARTICIPATE IN
40 MEDICARE BECAUSE THE RETIREE OR SPOUSE HAS REACHED AGE 65 IS NOT ELIGIBLE TO
41 PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN BUT MAY ELECT TO BE COVERED
42 UNDER A MEDICARE SUPPLEMENT.

43
44 (4) IF A RETIREE IS ELIGIBLE TO PARTICIPATE IN MEDICARE BUT HAS A
45 DEPENDENT WHO IS NOT ELIGIBLE TO PARTICIPATE IN MEDICARE, THE RETIREE MAY
46 ELECT TO HAVE THE DEPENDENT COVERED UNDER A RETIREE HEALTH INSURANCE
47 PLAN.

48
49 (5) ALL PARTICIPANTS ARE REQUIRED TO ENROLL IN MEDICARE PARTS A AND B
50 IN ORDER TO BE ELIGIBLE FOR COVERAGE UNDER A MEDICARE SUPPLEMENT.

51
52 (6) EFFECTIVE JANUARY 1, 2015, A RETIREE WHO WAS HIRED BEFORE APRIL 1, 1986,
53 DID NOT PARTICIPATE IN MEDICARE, AND HAS REACHED AGE 65 WILL NOT BE ELIGIBLE
54 TO PARTICIPATE IN A RETIREE HEALTH INSURANCE PLAN. A RETIREE WITHIN THE SCOPE
55 OF THIS SUBJECTION WHO IS NOT OTHERWISE ELIGIBLE FOR PREMIUM-FREE
56 PARTICIPATION IN MEDICARE PART A ON THE BASIS OF THE RETIREE'S OTHER
57 EMPLOYMENT OR THE EMPLOYMENT OF THE RETIREE'S CURRENT OR FORMER SPOUSE
58 MAY ELECT TO BE COVERED UNDER A MEDICARE SUPPLEMENT UPON ENROLLMENT IN

1 MEDICARE PARTS A AND B WITH THE EMPLOYER PAYING:

2
3 (I) 100% OF THE PREMIUMS FOR PART A FOR THE RETIREE AND THE RETIREE'S
4 SPOUSE;

5
6 (II) THE PENALTIES FOR LATE ENROLLMENT IN PARTS A AND B BY THE
7 RETIREE AND THE RETIREE'S SPOUSE IF THE RETIREE AND SPOUSE ENROLL BEFORE
8 JANUARY 1, 2015 OR WHEN FIRST ELIGIBLE TO ENROLL, WHICHEVER COMES LATER; AND

9
10 (III) THE EMPLOYER SUBSIDY FOR A MEDICARE SUPPLEMENT DETERMINED IN
11 ACCORDANCE WITH SUBSECTION (J).

12
13 **(H) Determination of annual costs of providing benefits.**

14
15 (1) THE ESTIMATE OF THE ANNUAL COSTS OF PROVIDING BENEFITS UNDER THE
16 VARIOUS HEALTH INSURANCE PLANS SHALL BE PREPARED BY THE PERSONNEL OFFICER
17 AND APPROVED BY RESOLUTION OF THE COUNTY COUNCIL.

18
19 (2) THE ESTIMATED ANNUAL COSTS OF PROVIDING BENEFITS UNDER A HEALTH
20 INSURANCE PLAN AS CALCULATED UNDER THIS SUBSECTION MAY NOT INCLUDE THE
21 COST OF THE COST-SHARING PLAN FEATURES TO BE PAID BY A PARTICIPANT.

22
23 **(I) Determination and amount of employer subsidy.**

24
25 (1) THIS SUBSECTION APPLIES TO THE EMPLOYER SUBSIDIES FOR EMPLOYEE AND
26 RETIREE HEALTH INSURANCE PLANS, BUT NOT TO THE MEDICARE SUPPLEMENT.

27
28 (2) ALL EMPLOYER SUBSIDIES ESTABLISHED IN ACCORDANCE WITH THIS
29 SUBSECTION SHALL BE APPLIED TO THE ESTIMATED ANNUAL COSTS APPROVED BY
30 RESOLUTION OF THE COUNTY COUNCIL UNDER SUBSECTION (H) IN ORDER TO
31 DETERMINE THE RATES PAID BY PARTICIPANTS FOR PARTICIPATION IN HEALTH
32 INSURANCE PLANS.

33
34 (3) THERE SHALL BE NO EMPLOYER SUBSIDY FOR PARTICIPANTS COVERED
35 UNDER THE CONSOLIDATED OMNIBUS RECONCILIATION ACT (COBRA).

36
37 (4) EFFECTIVE JANUARY 1, 2016, EMPLOYER SUBSIDIES FOR OPTIONAL PLANS
38 AVAILABLE TO PARTICIPANTS FOR THE SAME TYPE OF COVERAGES ESTABLISHED IN
39 ACCORDANCE WITH THIS SUBSECTION SHALL BE APPLIED TO THE ESTIMATED ANNUAL
40 COSTS FOR THE PLAN WITH THE LOWEST ESTIMATED ANNUAL COSTS APPROVED BY
41 RESOLUTION OF THE COUNTY COUNCIL UNDER SUBSECTION (H) IN ORDER TO
42 DETERMINE THE RATES PAID BY PARTICIPANTS IN HEALTH INSURANCE PLANS.
43 PARTICIPANTS WHO SELECT PLANS OTHER THAN THE PLAN WITH THE LOWEST
44 ESTIMATED ANNUAL COSTS SHALL PAY ALL COSTS FOR THE PLANS IN EXCESS OF THE
45 AMOUNT OF THE EMPLOYER SUBSIDY AS APPLIED TO THE PLAN WITH THE LOWEST
46 ESTIMATED ANNUAL COST.

47
48 ~~(5) EXCEPT AS SET FORTH IN SUBSECTIONS (7), (8) AND (9), THE EMPLOYER~~
49 ~~SUBSIDY USED TO DETERMINE THE RATES FOR EMPLOYEES REPRESENTED BY AN~~
50 ~~EXCLUSIVE REPRESENTATIVE SELECTED IN ACCORDANCE WITH TITLE 4 AND ANY~~
51 ~~MONETARY CREDITS FOR OPTING OUT OF COVERAGES SHALL BE DETERMINED THROUGH~~
52 ~~COLLECTIVE BARGAINING AND, IF APPLICABLE, BINDING ARBITRATION.~~

53
54 ~~(6) EXCEPT AS SET FORTH IN SUBSECTION (7), (8) AND (9), THE EMPLOYER~~
55 ~~SUBSIDY USED TO DETERMINE THE RATES FOR ALL OTHER EMPLOYEES AND FOR THE~~
56 ~~SURVIVORS OF EMPLOYEES AND RETIREES SHALL BE PROPOSED BY THE PERSONNEL~~
57 ~~OFFICER AND APPROVED BY RESOLUTION OF THE COUNTY COUNCIL. THE RESOLUTION~~
58 ~~SHALL ALSO INCLUDE THE RATES FOR PART-TIME EMPLOYEES AND ANY MONETARY~~

1 CREDITS GIVEN TO EMPLOYEES NOT REPRESENTED BY AN EXCLUSIVE REPRESENTATIVE
2 FOR OPTING OUT OF COVERAGES.

3
4 ~~(7) EFFECTIVE JANUARY 1, 2016, UNLESS THE SPOUSE IS A RETIREE OR EMPLOYEE,~~
5 ~~IF THE SPOUSE OF A RETIREE OR THE SPOUSE OF AN EMPLOYEE IS ELIGIBLE FOR~~
6 ~~EMPLOYER SPONSORED HEALTH INSURANCE ON THE BASIS OF THE SPOUSE'S~~
7 ~~EMPLOYMENT WITH AN EMPLOYER OTHER THAN AN EMPLOYER DEFINED IN~~
8 ~~SUBSECTION (A)(10), AND THE EMPLOYEE OR RETIREE CHOOSES TO ENROLL THE SPOUSE~~
9 ~~IN A HEALTH INSURANCE PLAN, THE EMPLOYER SUBSIDY SHALL BE REDUCED BY AN~~
10 ~~AMOUNT EQUAL TO 50% OF THE EMPLOYER'S SUBSIDY FOR INDIVIDUAL COVERAGE~~
11 ~~UNDER THE PLAN WITH THE LOWEST ESTIMATED ANNUAL COSTS APPROVED BY~~
12 ~~RESOLUTION OF THE COUNTY COUNCIL UNDER SUBSECTION (H).~~

13
14 (8) (7) EFFECTIVE JANUARY 1, 2016, IF THE SURVIVOR OF A RETIREE IS ELIGIBLE TO
15 PARTICIPATE IN EMPLOYER-SPONSORED HEALTH CARE INSURANCE ON THE BASIS OF
16 THE EMPLOYMENT OF THE SURVIVOR, THE SURVIVOR'S PARENT, OR THE SURVIVOR'S
17 SUBSEQUENT SPOUSE BY AN EMPLOYER OTHER THAN AN EMPLOYER DEFINED IN
18 SUBSECTION (A)(10), AND THE SURVIVOR CHOOSES TO ENROLL IN A HEALTH INSURANCE
19 PLAN, THE EMPLOYER SUBSIDY SHALL BE REDUCED BY AN AMOUNT EQUAL TO 50% OF
20 THE EMPLOYER'S SUBSIDY FOR INDIVIDUAL COVERAGE UNDER THE PLAN WITH THE
21 LOWEST ESTIMATED ANNUAL COSTS APPROVED BY RESOLUTION OF THE COUNTY
22 COUNCIL UNDER SUBSECTION (H).

23
24 (9) (8) EFFECTIVE JANUARY 1, 2016, IF THE SURVIVOR OF AN EMPLOYEE RECEIVES
25 PERIODIC PAYMENT OF A DEATH BENEFIT AS A SURVIVOR UNDER ARTICLE 5 OF THIS
26 CODE, NOT INCLUDING PAYMENT OF A LUMP SUM DEATH BENEFIT, AND THE SURVIVOR
27 IS ELIGIBLE TO PARTICIPATE IN EMPLOYER-SPONSORED HEALTH CARE INSURANCE ON
28 THE BASIS OF THE EMPLOYMENT OF THE SURVIVOR, THE SURVIVOR'S PARENT, OR THE
29 SURVIVOR'S SUBSEQUENT SPOUSE BY AN EMPLOYER OTHER THAN AN EMPLOYER
30 DEFINED IN SUBSECTION (A)(10), AND THE SURVIVOR CHOOSES TO ENROLL IN A HEALTH
31 INSURANCE PLAN, THE EMPLOYER SUBSIDY SHALL BE REDUCED BY AN AMOUNT EQUAL
32 TO 50% OF THE EMPLOYER'S SUBSIDY FOR INDIVIDUAL COVERAGE UNDER THE PLAN
33 WITH THE LOWEST ESTIMATED ANNUAL COSTS APPROVED BY RESOLUTION OF THE
34 COUNTY COUNCIL UNDER SUBSECTION (H).

35
36 (10) (9) THE PROVISIONS OF SUBSECTIONS (7); AND (8) AND (9) SHALL APPLY ONLY
37 IF THE EMPLOYER-SPONSORED HEALTH CARE INSURANCE IN WHICH THE SPOUSE OR
38 SURVIVOR MAY ENROLL IS AN ELIGIBLE EMPLOYER-SPONSORED PLAN THAT SATISFIES
39 THE AFFORDABILITY STANDARDS UNDER THE PATIENT PROTECTION AND AFFORDABLE
40 CARE ACT.

41
42 (11) (10) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION
43 COVERAGE, FOR RETIREES WHO RETIRE ON OR BEFORE JANUARY 1, 2017 AND FOR
44 EMPLOYEES WHO ARE ELIGIBLE TO RETIRE WITH A NORMAL RETIREMENT DATE UNDER
45 § 5-3-302(A), 5-4-202, 5-5-202, OR 5-6-202 OF THIS CODE, OR WITH AN EARLY RETIREMENT
46 DATE UNDER § 5-3-302(B) OR § 5-6-202(C) OF THIS CODE ON OR BEFORE JANUARY 1, 2017
47 SHALL BE 80%.

48
49 (12) (11) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION
50 COVERAGE, FOR TERMINATED VESTED EMPLOYEES WHO RETIRED BEFORE JULY 1, 2014
51 SHALL BE 80%. THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION
52 COVERAGE, FOR TERMINATED VESTED EMPLOYEES HIRED BEFORE JANUARY 1, 2014 WHO
53 RETIRE ON OR AFTER JULY 1, 2014 SHALL BE BASED ON THEIR CREDITED SERVICE AS OF
54 THEIR DATES OF RETIREMENT.

1

CREDITED SERVICE ON RETIREMENT

<u>"AT LEAST 5 YEARS BUT LESS THAN 10 YEARS"</u>	<u>"AT LEAST 10 YEARS BUT LESS THAN 15 YEARS"</u>	<u>"AT LEAST 15 YEARS BUT LESS THAN 20 YEARS"</u>	<u>"AT LEAST 20 YEARS BUT LESS THAN 25 YEARS"</u>	<u>"AT LEAST 25 YEARS BUT LESS THAN 30 YEARS"</u>	<u>"AT LEAST 30 YEARS"</u>
30%	40%	50%	70%	75%	80%

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(43) (12) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR RETIREES WHO RETIRE ON OR AFTER JANUARY 1, 2017 AND RECEIVE A SERVICE-CONNECTED DISABILITY RETIREMENT PENSION UNDER § 5-3-307 (C) OF THIS CODE OR A MILITARY SERVICE DISABILITY RETIREMENT PENSION UNDER § 5-3-307 (D), OF THIS CODE OR WHOSE ANNUAL DISABILITY RETIREMENT PENSIONS ARE DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF § 5-4-206 (D)(2) OR (4), § 5-5-205 (D)(2) OR (4), OR § 5-6-207(D)(2) OR (4) OF THIS CODE SHALL BE 80%.

(44) (13) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR A PARTICIPANT ENROLLED IN THE DEFERRED RETIREMENT OPTION PROGRAM UNDER ARTICLE 5 OF THIS CODE BEFORE JANUARY 1, 2015 SHALL BE 80%.

(15) (14) EXCEPT AS PROVIDED IN SUBSECTION (I)(19), THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR RETIREES HIRED BEFORE JANUARY 1, 2015 WHO RETIRE ON OR AFTER JANUARY 1, 2017 SHALL BE BASED ON THEIR YEARS OF CREDITED SERVICE PLUS DROP PARTICIPATION PERIOD AS OF THEIR DATE OF RETIREMENT AS FOLLOWS, PROVIDED THE RETIREE WAS NOT REHIRED BY AN EMPLOYER DEFINED IN SUBSECTION (A)(10) ON OR AFTER JANUARY 1, 2015, AND PROVIDED THE RETIREE IS NOT RETIRED AS THE RESULT OF A DISABILITY.

CREDITED SERVICE PLUS DROP PARTICIPATION PERIOD ON RETIREMENT

AT LEAST 10 YEARS BUT LESS THAN 15 YEARS	AT LEAST 15 YEARS BUT LESS THAN 20 YEARS	AT LEAST 20 YEARS BUT LESS THAN 25 YEARS	AT LEAST 25 YEARS
50%	60%	70%	80%

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(16) (15) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR RETIREES HIRED BEFORE JANUARY 1, 2015 WHO RETIRE ON OR AFTER JANUARY 1, 2017 AND WHO RECEIVE NON-SERVICE-CONNECTED DISABILITY RETIREMENT PENSIONS UNDER § 5-3-307(B) OF THIS CODE OR ANNUAL DISABILITY RETIREMENT PENSIONS DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF § 5-4-206 (D)(3), § 5-5-205 (D)(3), OR § 5-6-207(D)(3) OF THIS CODE SHALL BE THE GREATER OF 50% OR THE PERCENTAGE DETERMINED IN ACCORDANCE WITH ~~SUBSECTION (I)(14)~~ SUBSECTION (I)(15) SUBSECTION (I)(14), PROVIDED THE RETIREE WAS NOT REHIRED BY AN EMPLOYER DEFINED IN SUBSECTION (A)(10) ON OR AFTER JANUARY 1, 2015.

(17) (16) EXCEPT AS PROVIDED IN SUBSECTION (I)(19), THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR RETIREES WHO WERE HIRED OR REHIRED ON OR AFTER JANUARY 1, 2015 SHALL BE BASED ON THEIR YEARS OF ACTUAL PLAN SERVICE PLUS DROP PARTICIPATION PERIOD AS OF THEIR DATE OF RETIREMENT AS FOLLOWS, PROVIDED THE RETIREE WAS NOT RETIRED AS THE RESULT OF A DISABILITY.

ACTUAL PLAN SERVICE PLUS DROP PARTICIPATION PERIOD ON RETIREMENT

AT LEAST 10 YEARS BUT	AT LEAST 15 YEARS BUT LESS	AT LEAST 25 YEARS BUT LESS	AT LEAST 30 YEARS BUT	AT LEAST 40 YEARS
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LESS THAN 15 YEARS	THAN 25 YEARS	THAN 30 YEARS	LESS THAN 40 YEARS	
50%	60%	70%	75%	80%

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<u>AT LEAST 10 YEARS BUT LESS THAN 15 YEARS</u>	<u>AT LEAST 15 YEARS BUT LESS THAN 20 YEARS</u>	<u>AT LEAST 20 YEARS BUT LESS THAN 25 YEARS</u>	<u>AT LEAST 25 YEARS BUT LESS THAN 30 YEARS</u>	<u>AT LEAST 30 YEARS BUT LESS THAN 40 YEARS</u>	<u>AT LEAST 40 YEARS</u>
30%	40%	50%	70%	75%	80%”

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(18) (17) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR RETIREES HIRED ON OR AFTER JANUARY 1, 2015 WHO RETIRE ON OR AFTER JANUARY 1, 2017 AND WHO RECEIVE NON-SERVICE-CONNECTED DISABILITY RETIREMENT PENSIONS UNDER § 5-3-307(B) OF THIS CODE OR ANNUAL DISABILITY RETIREMENT PENSIONS DETERMINED IN ACCORDANCE WITH THE PROVISIONS OF § 5-4-206 (D)(3), § 5-5-205 (D)(3), OR § 5-6-207(D)(3) OF THIS CODE SHALL BE THE GREATER OF 50% OR THE PERCENTAGE DETERMINED IN ACCORDANCE WITH SUBSECTION (I)(17).

~~(19) (18) THE EMPLOYER SUBSIDY, EXCLUSIVE OF DENTAL AND VISION COVERAGE, FOR A COUNTY EXECUTIVE WHO TAKES OFFICE ON OR AFTER DECEMBER 2, 2014 WHO RETIRES ON OR AFTER JANUARY 1, 2015 SHALL BE THE GREATER OF 50% OR THE PERCENTAGE DETERMINED IN ACCORDANCE WITH SUBSECTION (I)(15) OR (I)(17) SUBSECTION (I)(14) OR (I)(16), PROVIDED THE COUNTY EXECUTIVE HAD AT LEAST EIGHT YEARS OF ACTUAL PLAN SERVICE AS OF THE COUNTY EXECUTIVE'S DATE OF RETIREMENT.~~

~~(20) (19) FOR THE PURPOSES OF THIS SUBSECTION, THE DATE THAT AN EMPLOYEE RETIRES SHALL BE THE DATE THAT AN EMPLOYEE TERMINATES EMPLOYMENT WITH THE COUNTY THAT IS ON OR AFTER THE EMPLOYEE'S NORMAL OR EARLY RETIREMENT DATE UNDER THE COUNTY RETIREMENT PLAN IN WHICH THE EMPLOYEE IS A PARTICIPANT OR, IN CASE OF A DISABILITY PENSION, ON THE DATE THAT THE EMPLOYEE IS RETIRED ON A DISABILITY PENSION. A TERMINATED VESTED EMPLOYEE SHALL BE DEEMED TO RETIRE ON THE DATE THAT THE TERMINATED VESTED EMPLOYEE BECOMES ELIGIBLE TO RECEIVE A PENSION UNDER THE EMPLOYEES' RETIREMENT PLAN OR THE DETENTION OFFICERS' AND DEPUTY SHERIFFS' RETIREMENT PLAN REACHES THE EMPLOYEE'S NORMAL RETIREMENT DATE UNDER THE RETIREMENT PLAN IN WHICH THE EMPLOYEE IS A PARTICIPANT.~~

(J) Employer subsidy; Medicare supplement. EFFECTIVE JANUARY 1, 2015, THE EMPLOYER SUBSIDY FOR THE MEDICARE SUPPLEMENT FOR RETIREES SHALL BE THE SAME PERCENTAGE AS THE EMPLOYER SUBSIDY DETERMINED IN ACCORDANCE WITH SUBSECTION (I).

(K) Replacement of Medicare supplement with cash subsidy or allowance.

(1) EFFECTIVE JANUARY 1, 2015, THE COUNTY MAY PROVIDE A CASH SUBSIDY OR ALLOWANCE IN LIEU OF A MEDICARE SUPPLEMENT.

(2) THE AMOUNT OF THE SUBSIDY OR ALLOWANCE SHALL BE PROPOSED BY THE PERSONNEL OFFICER AND APPROVED BY RESOLUTION OF THE COUNTY COUNCIL. THE PROPOSED SUBSIDY OR ALLOWANCE SHALL BE CALCULATED BY APPLYING THE PERCENTAGES SET FORTH IN SUBSECTION (I) TO THE COST OF A MEDICARE SUPPLEMENT PLAN F IN ADDITION TO PRESCRIPTION DRUG COVERAGE, A MEDICARE ADVANTAGE PLAN, OR AN EMPLOYER GROUP WAIVER PLAN AS DETERMINED BY THE PERSONNEL OFFICER.

(3) THE SUBSIDY OR ALLOWANCE MAY BE ADMINISTERED THROUGH A HEALTH

1 REIMBURSEMENT ACCOUNT, AND THE COUNTY MAY CONTRACT WITH A CONNECTOR
2 ENTITY FOR PURPOSES OF ESTABLISHING A NAVIGATOR PROGRAM FOR PARTICIPANTS.

3
4 (4) THE COUNTY SHALL CONTINUE TO PROVIDE MEDICARE SUPPLEMENTS FOR
5 PARTICIPANTS ELIGIBLE TO PARTICIPATE IN MEDICARE BEFORE AGE 65 BECAUSE OF
6 DISABILITIES WHO ARE NOT ELIGIBLE FOR A NAVIGATOR PROGRAM.

7
8 (5) THE MEDICARE SUPPLEMENT OR THE SUBSIDY OR ALLOWANCE IN LIEU OF A
9 MEDICARE SUPPLEMENT MAY PROVIDE FOR THE REIMBURSEMENT OF OUT-OF-POCKET
10 COSTS TO PARTICIPANTS FOR PRESCRIPTION DRUGS UNDER THE CONDITIONS PROPOSED
11 BY THE PERSONNEL OFFICER AND APPROVED BY RESOLUTION OF THE COUNTY COUNCIL.

12
13 **(L) Application for and entitlement to benefits.**

14
15 (1) AN EMPLOYEE, RETIREE, OR SURVIVOR SEEKING TO PARTICIPATE IN THE
16 PROGRAM SHALL SUBMIT AN APPLICATION ON THE FORM PROVIDED BY THE OFFICE OF
17 PERSONNEL AND SHALL PROVIDE THE REQUIRED INFORMATION AND MAY NOT BE
18 ENTITLED TO BENEFITS UNDER THE PROGRAM UNTIL THE PARTICIPATION IN THE
19 PROGRAM IS APPROVED BY THE OFFICE OF PERSONNEL.

20
21 (2) AN APPLICATION TO PARTICIPATE IN THE PROGRAM MAY BE FILED ONLY BY
22 THE EMPLOYEE OR RETIREE ENTITLED TO PARTICIPATE IN THE PROGRAM AND SHALL
23 INCLUDE APPLICATION FOR HEALTH INSURANCE BENEFITS FOR THOSE DEPENDENTS FOR
24 WHICH THE EMPLOYEE OR RETIREE SEEKS PARTICIPATION.

25
26 (3) AN EMPLOYEE OR RETIREE WHO ELECTS NOT TO PARTICIPATE IN THE
27 PROGRAM IN A GIVEN PLAN YEAR MAY NOT BE PROHIBITED FROM ELECTING TO
28 PARTICIPATE IN ANY SUBSEQUENT PLAN YEAR.

29
30 (4) A SURVIVOR MAY FILE AN APPLICATION IN THE SURVIVOR'S OWN NAME,
31 EXCEPT THAT A SURVIVING SPOUSE SHALL FILE AN APPLICATION THAT INCLUDES
32 APPLICATION FOR HEALTH INSURANCE BENEFITS FOR ANY SURVIVING CHILD OF THE
33 SURVIVING SPOUSE ALSO ELIGIBLE TO PARTICIPATE IN THE PROGRAM.

34
35 (5) AFTER SUBMITTING AN APPLICATION AN EMPLOYEE, RETIREE, OR SURVIVOR
36 WHO MADE APPLICATION FOR BENEFITS IN THE SURVIVOR'S OWN NAME, SHALL REPORT
37 ANY CHANGE IN FAMILY, EMPLOYMENT, OR OTHER STATUS THAT AFFECTS A
38 PARTICIPANT'S ENTITLEMENT TO BENEFITS UNDER THE PROGRAM TO THE OFFICE OF
39 PERSONNEL WITHIN 31 CALENDAR DAYS OF THE CHANGE.

40
41 (6) AN EMPLOYEE, RETIREE, OR SURVIVOR WHO WILLFULLY MAKES A FALSE
42 STATEMENT OR FALSE REPRESENTATION ON AN APPLICATION FOR BENEFITS UNDER THE
43 PROGRAM OR WHO WILLFULLY FAILS TO DISCLOSE A CHANGE IN FAMILY,
44 EMPLOYMENT, OR OTHER STATUS THAT AFFECTS A PARTICIPANT'S ENTITLEMENT TO
45 BENEFITS UNDER THE PROGRAM IS GUILTY OF A MISDEMEANOR AS PROVIDED IN § 9-1-
46 101 OF THIS CODE.

47
48 **(M) Health Care Flexible Spending Account.** THE PROGRAM SHALL INCLUDE THE
49 OPTION FOR AN EMPLOYEE TO ESTABLISH A HEALTH CARE FLEXIBLE SPENDING
50 ACCOUNT.

51
52 **(N) Duties and powers of the Personnel Officer.** IN ADDITION TO THE SPECIFIC
53 DUTIES SET FORTH IN THIS SECTION, THE PERSONNEL OFFICER HAS THE GENERAL DUTY
54 TO ADMINISTER THE PROGRAM AND HAS THE POWERS NECESSARY TO DO SO,
55 INCLUDING THE POWER TO:

56
57 (1) ESTABLISH THE HEALTH INSURANCE BENEFIT OPTIONS AND DESIGN THE
58 HEALTH INSURANCE PLANS MADE AVAILABLE TO PARTICIPANTS, AND DESIGNATE THE

1 PLAN YEAR;

2
3 (2) PREPARE FORMS AND ESTABLISH PROCEDURES TO BE FOLLOWED IN ORDER
4 TO OBTAIN HEALTH INSURANCE BENEFITS UNDER THE PROGRAM;

5
6 (3) DETERMINE THE ELIGIBILITY OF PERSONS TO PARTICIPATE IN THE PROGRAM
7 AND RECEIVE HEALTH INSURANCE BENEFITS UNDER THE PROGRAM BY APPLYING THE
8 PROVISIONS OF THE PROGRAM GOVERNING SUCH ELIGIBILITY SUBJECT TO THE RIGHT OF
9 PERSONS TO APPEAL ADVERSE DECISIONS ON ELIGIBILITY TO THE ANNE ARUNDEL
10 COUNTY BOARD OF APPEALS;

11
12 (4) APPROVE OR SUPERVISE THE APPROVAL OF THE PAYMENT OF CLAIMS FOR
13 HEALTH INSURANCE BENEFITS;

14
15 (5) ESTABLISH A PROCESS FOR INTERNAL APPEALS AND EXTERNAL REVIEW OF
16 DECISIONS ON CLAIMS THAT COMPLIES WITH THE FEDERAL AFFORDABLE CARE ACT;

17
18 (6) REVIEW THE PAYMENT OF CLAIMS FOR HEALTH INSURANCE BENEFITS AND
19 SEEK RECOVERY OF ANY OVERPAYMENT OF BENEFITS;

20
21 (7) ESTABLISH AND ADMINISTER WELLNESS PROGRAMS AS PART OF THE
22 PROGRAM;

23
24 (8) ESTABLISH HEALTH CARE FLEXIBLE SPENDING ACCOUNTS AND HIGH-
25 DEDUCTIBLE HEALTH PLANS AS PART OF THE PROGRAM; AND

26
27 (9) ADOPT RULES AND REGULATIONS NECESSARY TO IMPLEMENT THE PROGRAM
28 AS SET FORTH IN THIS SECTION PROVIDED THAT SUCH RULES AND REGULATIONS ARE
29 PUBLISHED ON THE OFFICE OF PERSONNEL WEBSITE AT LEAST 30 DAYS PRIOR TO
30 TAKING EFFECT.

31
32 **Article 8. Purchasing**

33
34 **Title 2. Procurement**

35
36 **8-2-111. Group Health Plan contracts**

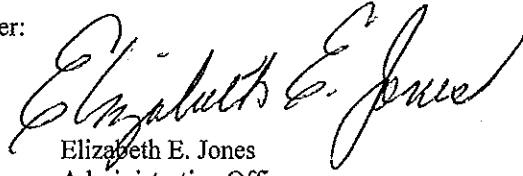
37
38 THE PERSONNEL OFFICER SHALL SOLICIT COMPETITIVE SEALED PROPOSALS OR
39 INVITE COMPETITIVE SEALED BIDS FOR HEALTH INSURANCE PLANS FOR THE PROVISION
40 OF BENEFITS PURSUANT TO § 6-1-308(B) OF THIS CODE AT LEAST EVERY SIX YEARS. ANY
41 QUALIFIED BID OR PROPOSAL SHALL, AT A MINIMUM, PROVIDE FOR AN ESSENTIAL
42 HEALTH BENEFITS PACKAGE AS REQUIRED BY THE PATIENT PROTECTION AND
43 AFFORDABLE CARE ACT.

44
45 SECTION 4. *And be it further enacted* That all references in this Ordinance to “the
46 effective date of Bill No. 85-13”, or words to that effect, shall, upon codification, be
47 replaced with the actual date on which this Ordinance takes effect under Section 307 of
48 the County Charter as certified by the Administrative Officer to the Country Council.

49
50 SECTION 5. *And be it further enacted*, That this Ordinance shall take effect 45 days
51 from the date it becomes law

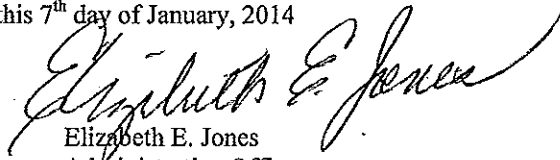
READ AND PASSED this 6th day of January, 2014

By Order:



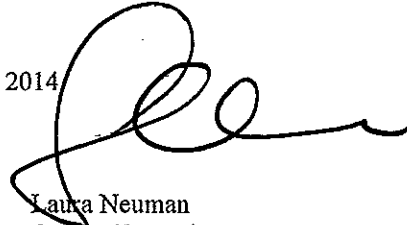
Elizabeth E. Jones
Administrative Officer

PRESENTED to the County Executive for her approval this 7th day of January, 2014



Elizabeth E. Jones
Administrative Officer

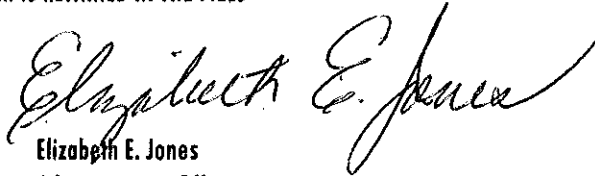
APPROVED AND ENACTED this 15th day of January, 2014



Laura Neuman
County Executive

EFFECTIVE DATE: March 1, 2014

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO.
85-13, THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.



Elizabeth E. Jones
Administrative Officer