

NOTICE OF PROPOSED CHANGES ON RETIREMENT PLANS
IN THE REGULATIONS OF THE DEPARTMENT OF ADMINISTRATION

The Division of Retirement and Benefits proposes to adopt regulation changes in Title 2 of the Alaska Administrative Code, dealing with the enrollment of same-sex partners for coverage under the State of Alaska Group Health plan for active and retired members.

PLEASE TAKE NOTE: If these regulations are adopted:

Current employees receiving group health insurance for their non-married same-sex partner and eligible children will need to become married no later than December 31, 2015 in order to maintain coverage for their same-sex partner or child of a same-sex partner;

Retired employees receiving group health insurance for their non-married same-sex partner and eligible children will need to become married no later than December 31, 2015 in order to maintain coverage for their same-sex partner or child of a same-sex partner. EXCEPT if a retired employee made an irrevocable designation of a same-sex, non-married partner under the joint and survivor option at retirement no later than December 31, 2015, that designation will continue to be effective so that if the employee predeceases the partner designated, the partner/survivor will receive health insurance benefits.

Specifically, Regulations will be adopted to clarify enrollment changes affecting health care coverage as of January 1, 2016 as follows:

- 2 AAC 38.010 Same-Sex Partner Insurance Coverage and 2 AAC 38.030 Enrollment of Same-Sex Partner and Same-Sex Partner's Child will be repealed. The intended effect of this repeal is to require a state employee covered under the AlaskaCare Employee Plan or a retired member of a state retirement plan covered under the AlaskaCare Retiree Plan who did not elect a joint and survivor option at retirement to be married no later than December 31, 2015 in order to continue coverage for the same-sex partner or child of a same-sex partner on and after January 1, 2016.
- 2 AAC 38.050 Imputation of Income and Effect on Pre-tax Premiums and 2 AAC 38.070 Same-Sex Partner Survivor Benefits will be amended. The intended effect of the amendment is to ensure a retired member of a state retirement plan who elected a joint and survivor option at retirement and is currently covered under the AlaskaCare Retiree plan who previously enrolled a same-sex partner or a child of a same-sex partner as an eligible dependent(s) under the plan may continue health coverage for the same-sex partner or child of a same-sex partner effective January 1, 2016 as long as the eligibility requirements for same-sex partners is maintained. The amendment will also clarify the same-sex partner designated as the survivor at the time of the member's retirement will continue with survivor rights to pension and health benefits in the event of the retired member's death.
- 2 AAC 38.100 Responsibilities and Rights of a State Employee or Member of a State Retirement System and Same-Sex Partner will be amended. The intended effect of the amendment is to outline the requirements for continued coverage for the same-sex partner or same-sex partner's child under the AlaskaCare Retiree Plan for a retired member of a state retirement plan who elected a joint and survivor option at retirement for a same-sex partner on or before December 31, 2015. The coverage period referred to in this amendment is for the coverage period while the member is alive and receiving pension benefits.

You may comment on the proposed regulation changes by submitting written comments to Michele Michaud at P.O. Box 110203, Juneau, Alaska 99811-0203 and michele.michaud@alaska.gov. The comments must be received no later than 5:00 p.m. on October 17, 2015.

Oral or written comments also may be submitted at a hearing to be held on October 1, 2015 in the Atwood Conference Center, Robert Atwood Building, 550 West 7th Avenue, Anchorage. The hearing will be held from 3:30 p.m. to 5:00 p.m. and might extend to accommodate those present before 4:00 p.m. who did not have an opportunity to comment.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Trudy Woodbury at (907) 465-3597 no later than Monday, September 28, 2015 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes and of material to be adopted by reference is available on the Alaska Online Public Notice System, the Division of Retirement and Benefits web site at Alaska.gov/drb, and by contacting Trudy Woodbury at P.O. Box 110203, Juneau, Alaska 99811-0203 or trudy.woodbury@alaska.gov.

After the public comment period ends, the Division of Retirement and Benefits will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 14.25.005; AS 22.25.027; AS 39.30.090; Former AS 39.30.090; AS 39.35.005

Statutes Being Implemented, Interpreted, or Made Specific: AS 39.30.090

Fiscal Information: No increased appropriations are anticipated.