

State Employees' Health Insurance Plan Retiree Other Employer Coverage

In November of 2004, the Alabama Legislature enacted a new law (Act No.: 2004-648) that requires all employees who:

1. retire after September 30, 2005, and
2. become employed by another employer and
3. the other employer provides employees at least 50 percent of the cost of single health insurance coverage and
4. are eligible to receive the other employer group health insurance coverage through that employer,

shall be required to use the other employer's health benefit plan for primary coverage.

Special Enrollment is available for retirees who lose their other employer's group health plan coverage.

Another employer that provides its employees and their spouses with other employer group health insurance coverage may not exclude a retiree, as defined under Section 36-29-1(11), or his or her spouse from coverage by application of a provision which does not also apply on the same terms and conditions to other retirees or their spouses.

Failure by a retiree to enroll in the other employer's group health plan under the terms of the Act will result in the termination of coverage in the State Employees' Health Insurance Plan and possible recall of claims back to the date the retiree was eligible for the other employer's group health plan.