

**Subject** State Employee Group Insurance Program

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## Summary

Under current law and this bill, an eligible retired state employee may purchase health insurance for themselves and their dependents through the State Employee Group Insurance Program (SEGIP).

H.F. 2020 would provide that a retired employee's covered spouse may purchase coverage for themselves if the retiree (1) loses SEGIP eligibility by enrolling in Medical Assistance (Medicaid), and (2) has a disability that satisfies the categorical eligibility requirements of the federal Supplemental Security Income program (i.e., the retired employee is unable to engage in any substantial gainful activity due to a medically determinable physical or mental impairment that is expected to result in death or to last for a continuous period of not less than 12 months).

Thank you, Madame Chair. My name is Mark Schoenbaum and I've been retired for seven years from a rewarding 38-year career in state government, most at the health department. On retirement, my wife and I signed on to the state retiree health plan. It's good insurance, we're happy to pay the full cost of it, and it contributes a lot to our peace of mind.

A couple years ago I was diagnosed with ALS, and the problem corrected by this bill came to my attention while I was planning for home care and insurance. As experienced by many people, it's possible our resources will be depleted by my care and I will end up on Medicaid. We've been prudent and I hope that doesn't happen, but we need to be planning in case it does.

Retiree spouses are eligible for health coverage and are eligible to continue coverage when the retiree dies if both have had continuous coverage. Under current law, if the retiree ends their coverage for any reason, the spouse loses coverage. In our case, If I exhaust my resources paying for home care and go on Medicaid, my group insurance would end and my wife would lose her coverage.

So if I die while insured my wife can continue coverage, but my disability would kick her off if I've had to switch to Medicaid. The bill adds an exception for spouses in situations like ours, allowing them to continue purchasing retiree insurance. The retiree insurance plan is entirely funded by retiree premiums and is not subsidized by the state, and according to MMB there is not a cost to this change.

The bill would give peace of mind to me and other retirees who end up in this situation. Thanks to Representative Howard for taking up this issue, and thanks to all of you for your time and consideration.

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