

**SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION**

**S.F. No. 4035**

(SENATE AUTHORS: LIMMER)

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Introduction and first reading  
Referred to State Government Finance and Policy and Elections

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to retirement; continuing health insurance coverage for certain former  
1.3 employees under the correctional employee retirement plan; amending Minnesota  
1.4 Statutes 2018, section 43A.241.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2018, section 43A.241, is amended to read:

1.7 **43A.241 INSURANCE CONTRIBUTIONS; FORMER EMPLOYEES.**

1.8 (a) This section applies to a person who:

1.9 (1) was employed by the commissioner of the Department of Corrections or by the  
1.10 Department of Human Services;

1.11 (2) was covered by the correctional employee retirement plan under section 352.91 or  
1.12 the general state employees retirement plan of the Minnesota State Retirement System as  
1.13 defined in section 352.021;

1.14 (3) while employed under clause (1), was assaulted by:

1.15 (i) a person under correctional supervision for a criminal offense; or

1.16 (ii) a client or patient at the Minnesota sex offender program, or at a state-operated  
1.17 forensic services program as defined in section 352.91, subdivision 3j, under the control of  
1.18 the commissioner of the Department of Human Services; and

1.19 (4) as a direct result of the assault under clause (3), was determined to be totally and  
1.20 permanently physically disabled under laws governing the Minnesota State Retirement  
1.21 System.

2.1 (b) This section also applies to a person who was employed by the commissioner of  
2.2 corrections or human services and was covered by the correctional employee retirement  
2.3 plan under section 352.91, subdivision 1:

2.4 (1) who is determined to qualify for a duty disability, physical or psychological, as  
2.5 defined in section 352.01, subdivision 17b; or

2.6 (2) who: (i) does not qualify to receive disability benefits by operation of the eligibility  
2.7 requirements under section 352.95, subdivision 1, or retires pursuant to section 352.93,  
2.8 subdivision 2a; (ii) has discontinued employment as a correctional employee as a result of  
2.9 a disabling injury; and (iii) has been determined by the Minnesota State Retirement System  
2.10 to have otherwise met the duty disability criteria set forth in section 352.01, subdivision  
2.11 17b.

2.12 (c) A determination made on behalf of a correctional employee described in paragraph  
2.13 (b), clause (2), must be at the request of the correctional employee made for the purposes  
2.14 of this section. Determinations made in accordance with paragraph (b) are binding on the  
2.15 correctional employee, employer, and state. The determination must be made by the executive  
2.16 director of the Minnesota State Retirement System and is not subject to section 356.96,  
2.17 subdivision 2. Upon making a determination in accordance with paragraph (b), the executive  
2.18 director shall provide written notice to the correctional employee and the employer. This  
2.19 notice must include:

2.20 (1) a written statement of the reasons for the determination;

2.21 (2) a notice that the person may petition for a review of the determination by requesting  
2.22 that a contested case be initiated before the Office of Administrative Hearings, the cost of  
2.23 which must be borne by the correctional employee and the employer; and

2.24 (3) a statement that any person who does not petition for a review within 60 days is  
2.25 precluded from contesting issues determined by the executive director in any other  
2.26 administrative review or court procedure.

2.27 If, prior to the contested case hearing, additional information is provided to support the  
2.28 claim for a duty disability, physical or psychological, as defined in section 352.01,  
2.29 subdivision 17b, the executive director may reverse the determination without the requested  
2.30 hearing. If a hearing is held before the Office of Administrative Hearings, the determination  
2.31 rendered by the judge conducting the fact-finding hearing is a final decision and order under  
2.32 section 14.62, subdivision 2a, and is binding on the applicable executive director, the  
2.33 correctional employee, employer, and state. Review of a final determination made by the  
2.34 Office of Administrative Hearings under this section may only be obtained by writ of

3.1 certiorari to the Minnesota Court of Appeals under sections 14.63 to 14.68. Only the  
3.2 correctional employee, employer, and state have standing to participate in a judicial review  
3.3 of the decision of the Office of Administrative Hearings.

3.4 ~~(b)~~ (d) For a person to whom this section applies, the commissioner of the Department  
3.5 of Corrections or the commissioner of the Department of Human Services, using existing  
3.6 budget resources, must continue to provide health coverage for the former employee and  
3.7 must continue to make the employer contribution for medical and dental benefits under the  
3.8 State Employee Group Insurance Program after the person terminates state service. If the  
3.9 person had dependent coverage at the time of terminating state service or at the time of the  
3.10 injury under the employer's group health plan, dependent coverage and employer  
3.11 contributions for dependent coverage also must continue under this section. The employer  
3.12 contributions must be in the amount of the employer contribution for active state employees  
3.13 at the time each payment is made. The employer contributions must continue until the person  
3.14 reaches or, if the person is deceased, would have reached age 65, provided the person makes  
3.15 the required employee contributions, in the amount required of an active state employee,  
3.16 at the time and in the manner specified by the commissioner. However, coverage for a  
3.17 dependent does not have to be continued after the person is no longer a dependent.