



SPONSOR: Rep. Baumbach & Rep. Ramone & Rep. Dorsey Walker  
& Sen. Townsend & Sen. Pettyjohn  
Reps. Bolden, Lambert, Morrison, Romer, Schwartzkopf,  
K. Williams, Harris, Minor-Brown, Yearick; Sens.  
S. McBride, Sokola, Sturgeon, Lockman

HOUSE OF REPRESENTATIVES  
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 375

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO PAYMENT OF PREMIUM OR  
SUBSCRIPTION CHARGES BY ELIGIBLE PENSIONERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 5201, Title 29 of the Delaware Code by making deletions as shown by strike through and  
2 insertions as shown by underline as follows and redesignating accordingly:

3 § 5201. Definitions.

4 For purposes of this chapter:

5 (3) ~~An “eligible pensioner” is one~~ a. “Eligible pensioner” means any of the following:

6 1. An individual who is receiving or is eligible to receive retirement benefits in accordance with the  
7 state employees' pension plan under Chapters 53 and 55 of this title, the State Police pension plan under  
8 subchapter II and subchapter III of Chapter 83 of Title 11, the pension plan for state judiciary under Chapter  
9 56 of this ~~title or one who title, or~~ is receiving retirement or disability benefits under the teachers' retirement  
10 and disability plan (Chapter 39 of Title 14). plan under Chapter 39 of Title 14. This paragraph shall not apply  
11 to members of boards or commissions. An “eligible pensioner” shall include those individuals

12 2. Individuals who were employed by the county prothonotary offices immediately prior to October  
13 1, 1987, and who chose to remain in their respective county pension plans and who would otherwise be  
14 eligible to receive retirement benefits in accordance with the state employees' pension plan under Chapters 53  
15 and 55 of this title. ~~An “eligible pensioner” shall include those employees~~

16 3. Employees who are receiving disability benefits ~~pursuant to~~ under § 5253(c) of this title.

17 b. For purposes of § 5202(a) & (b) of this title, “eligible pensioner” includes the eligible pensioner’s  
18 eligible spouse and child dependents.

19 (5) “First employed” means the date when the eligible pensioner was first employed as a regular officer or  
20 employee.

21 (6) “Mandatory retirement” means mandatory retirement under § 8361 of Title 11.

22 (7) “Maximum state share” means the amount of the premium that the State pays for a plan on behalf of a  
23 regular officer or employee or an eligible pensioner before the proration ratio is applied under § 5202(b) of this title.

24 (5) (8) “Medicare” means the federal Medicare Program (Program, 42 U.S.C. § 1395 et seq.; U.S. Public Law  
25 89-87, as amended) (42 U.S.C. § 1395 et seq.) as amended.

26 (6) (9) “Plan” means the basic a health-care insurance plan for state employees provided under this chapter.

27 (10) “Premium” means the total premium or subscription charge for a plan.

28 (8) A ~~“regular~~ (12)a. “Regular officer or employee” means one any of the following:

29 1. An individual who works the regularly scheduled full-time hours of the employing agency, or  
30 agency.

31 2. An individual who works at least 30 or more hours per week or 130 hours per month (with month,  
32 with allowable interruptions) interruptions, in a position of a continuing nature on a regular schedule expected  
33 to last at least 1 year from the date of initial appointment. The appointing authority shall determine at the time  
34 of appointment the qualifications of an appointee regarding the continuing nature and appointment duration  
35 criteria of this paragraph. under this paragraph (12)a.2.

36 ~~An employee appointed to temporary or seasonal positions and members of boards and commissions~~  
37 ~~who were not receiving coverage under the State group health insurance contract on January 1, 1993, shall not~~  
38 ~~be considered a “regular officer or employee” for the purposes of this chapter. A “regular officer or~~  
39 ~~employee” called to active duty with Guard or Reserve for other than training purposes shall continue to~~  
40 ~~receive state contributions toward health insurance coverage for a period of up to 2 years. A “regular officer~~  
41 ~~or employee” shall also include an~~

42 3. An employee who is receiving disability benefits pursuant to under § 5253(b) of this title.

43 4. A member of a board or commission, if the member qualified for and was receiving coverage  
44 under the State group health insurance contract on January 1, 1993, as a member of that board or commission.

45 b. A regular officer or employee called to active duty with Guard or Reserve for other than training  
46 purposes is deemed to be a “regular officer or employee” for the period of active duty until the period of active  
47 duty reaches 2 years.

48 c. “Regular officer or employee” does not include any of the following:

49 1. An employee appointed to a temporary or seasonal position.

50 2. A member of a board or commission, except as provided under paragraph (12)a.4. of this section.

51 Section 2. Amend § 5202, Title 29 of the Delaware Code by making deletions as shown by strike through and  
52 insertions as shown by underline as follows and redesignating accordingly:

53 § 5202. Payment of ~~premium or subscription charge~~; premium; maximum state share; proration ratio.

54 (a)(1) The State shall ~~pay premium or subscription charges~~ maximum state share for a regular officer or employee  
55 and for an eligible spouse and child dependents who are not eligible for ~~federal~~ Medicare is as follows:

56 (1) a. Ninety-six percent of the ~~total cost of premium~~ for the basic individual, individual and spouse,  
57 individual and child, or family health care insurance ~~plan as set forth in § 5203 of this title;~~ plan.

58 (2) b. Ninety-five percent of the ~~total cost of premium~~ for a consumer-directed health plan for individual,  
59 individual and spouse, individual and child, or ~~family;~~ family.

60 (3) c. Ninety-three and one-half percent of the ~~total cost of premium~~ for an HMO plan for individual,  
61 individual and spouse, individual and child, or ~~family;~~ family.

62 (4) d. Eighty-six and three-quarter percent of the ~~total cost of premium~~ for a comprehensive PPO plan for  
63 individual, individual and spouse, individual and child, or ~~family;~~ or family.

64 (5) e. Beginning January 1, 2006, employees identified under Title 14 who are receiving a short-term  
65 disability benefit for a period greater than 90 days ~~pursuant to~~ under § 5253(b) of this title and have exhausted all of  
66 their paid leave, the maximum state share is an amount equivalent to that provided under ~~paragraph (a)(1), (2), (3) or~~  
67 ~~(4)~~ paragraphs (a)(1)a. through (a)(1)d. of this section.

68 (2) The maximum state share for an eligible pensioner who is not eligible for Medicare is the maximum state  
69 share under paragraph (a)(1) of this section.

70 (3) The maximum state share for an eligible pensioner who is eligible for Medicare is 95% of the premium if  
71 paragraph (a)(4) of this section does not apply.

72 (4) The maximum state share for an eligible pensioner who is eligible for Medicare is 100% of the premium  
73 for any of the following:

74 a. An eligible pensioner receiving a disability pension.

75 b. An eligible pensioner who is a primary survivor receiving a survivor's pension under § 8372(b) of Title  
76 11 due to the death in the line of duty of the employee.

77 c. An eligible pensioner who was first employed before July 1, 1991.

78 d. An eligible pensioner who retired on or before July 1, 2012.

79 (b)(1) For purposes of this section:

80 a.1. “Prorated state share” means the dollar amount that the State pays for a plan on behalf of a regular  
81 officer or employee or an eligible pensioner.

82 2. The “prorated state share” is the product of multiplying the proration ratio with the maximum state  
83 share.

84 b.1. “Proration ratio” means the percentage applied to the maximum state share.

85 2. The “proration ratio” for eligible pensioners is based on when the eligible pensioner was first  
86 employed and the number of years the eligible pensioner had been employed as a regular officer or employee  
87 at the time of retirement.

88 ~~For eligible pensioners not eligible for federal Medicare and their eligible dependents who were first employed by~~  
89 ~~the State on or before June 30, 1991, or who are receiving a disability pension or primary survivors receiving a survivor’s~~  
90 ~~pension under § 8372(a) of Title 11, due to death in the line of duty of the employee, the State shall pay premium or~~  
91 ~~subscription charges for the following, whichever is applicable:~~

92 a. ~~Ninety six percent of the total cost of the basic individual, individual and spouse, individual and child,~~  
93 ~~or family health care insurance plan as set forth in § 5203 of this title;~~

94 b. ~~Ninety five percent of the total cost of a consumer directed health plan for individual, individual and~~  
95 ~~spouse, individual and child, or family;~~

96 c. ~~Ninety three and one half percent of the total cost of an HMO plan for individual, individual and~~  
97 ~~spouse, individual and child, or family; or~~

98 d. ~~Eighty six and three quarter percent of the total cost of a comprehensive PPO plan for individual,~~  
99 ~~individual and spouse, individual and child, or family.~~

100 (2) The proration ratio is 100% for all of the following:

101 a. A regular officer or employee and for an eligible spouse and child dependents.

102 b. An eligible pensioner receiving a disability pension.

103 c. An eligible pensioner who is a primary survivor receiving a survivor’s pension under § 8372(b) of Title  
104 11 due to the death in the line of duty of the employee.

105 d. An eligible pensioner who was first employed before July 1, 1991.

106 ~~For eligible pensioners who are eligible for federal Medicare and their eligible dependents:~~

107 a. ~~Who retire before July 1, 2012, or who are receiving a disability pension or primary survivors receiving~~  
108 ~~a survivor’s pension under § 8372(a) of Title 11, due to death in the line of duty of the employee, the State shall~~

109 pay 100% of the premium or subscription charges for the coverage provided, unless they are subject to the  
110 schedule based on years of service, as set forth in paragraph (b)(3) of this section.

111 b. Who retire after July 1, 2012, the State shall pay 95% of the premium or subscription charges for the  
112 coverage provided, unless they are subject to the schedules based on years of service, as set forth in paragraph  
113 (b)(3) or (b)(4) of this section.

114 (3) For eligible pensioners not included under paragraph (b)(2) of this section:

115 a. For eligible pensioners who were first employed by the State on or after July 1, 1991, and before  
116 January 1, 2007, ~~except those receiving a disability pension or primary survivors receiving a survivor's pension~~  
117 ~~under § 8372(a) of Title 11, due to death in the line of duty of the employee, the State shall pay premium and~~  
118 ~~subscription charges as follows: the proration ratio is as follows:~~

119 1. Less than 10 years, 0%.

120 a. For eligible pensioners employed by the State for at least 10 but less than 15 years at the time of  
121 retirement, 50 percent of premium or subscription charges as set forth in paragraphs (b)(1) and (b)(2) of this  
122 section; or 2. At least 10 but less than 15 years, 50%.

123 b. For eligible pensioners employed by the State for at least 15 but less than 20 years at the time of  
124 retirement, 75 percent of the premium or subscription charges as set forth in paragraphs (b)(1) and (b)(2) of this  
125 section; or 3. At least 15 but less than 20 years, 75%.

126 e. For eligible pensioners employed by the State for 20 or more years at the time of retirement, 100  
127 percent of the premium or subscription charges as set forth in paragraphs (b)(1) and (b)(2) of this section.

128 4. Twenty or more years, 100%.

129 (4) b. For eligible pensioners who were first employed by the State on or after January 1, 2007, ~~the State~~  
130 ~~shall pay premium and subscription charges as follows: and before January 1, 2025, the proration ratio is as~~  
131 follows:

132 1. Less than 15 years, 0%.

133 a. For eligible pensioners employed by the State for at least 15 but less than 17.5 years at the time of  
134 retirement, 50 percent of premium or subscription charges paid for by the State as set forth in paragraphs (b)(1)  
135 and (b)(3) of this section; 2. At least 15 but less than 17.5 years, 50%.

136 b. For eligible pensioners employed by the State for at least 17.5 but less than 20 years at the time of  
137 retirement, 75 percent of the premium or subscription charges as set forth in paragraphs (b)(1) and (b)(3) of this  
138 section; or 3. At least 17.5 but less than 20 years, 75%.

139 e. For eligible pensioners employed by the State for 20 or more years at the time of retirement, 100  
140 percent of the premium or subscription charges as set forth in paragraphs (b)(1) and (b)(3) of this section.

141 4. Twenty or more years, 100%.

142 c. For eligible pensioners who were first employed on or after January 1, 2025, and who are subject to  
143 mandatory retirement, the proration ratio is as follows:

144 1. Less than 15 years, 0%.

145 2. At least 15 but less than 17.5 years, 50%.

146 3. At least 17.5 but less than 20 years, 75%.

147 4. Twenty or more years, 100%.

148 d. For eligible pensioners who were first employed on or after January 1, 2025, and who are not subject to  
149 mandatory retirement, the proration ratio is as follows:

150 1. Less than 15 years, 0%.

151 2. At least 15 but less than 20 years, 50%.

152 3. At least 20 but less than 25 years, 75%.

153 4. Twenty-five or more years, 100%.

154 Section 3. (1) The only substantive policy change made to existing law under this Act is under § 5202(b)(3)d. of  
155 Title 29, which changes the amount of the premium for a health-care insurance plan that this State will pay on behalf of  
156 eligible pensioners who were first employed as a regular officer or employee on or after January 1, 2025, and who are not  
157 subject to mandatory retirement.

158 (2) All other revisions to current law under this Act are technical changes to improve clarity and conform  
159 existing law to the standards of the Delaware Legislative Drafting Manual. These technical changes include the  
160 addition of new defined terms and the reorganization of existing law.

#### SYNOPSIS

This Act implements a recommendation from the December 31, 2023, Report of the Retiree Healthcare Benefits Advisory Subcommittee. Under this Act, the amount of the premium for a health-care insurance plan that this State will pay on behalf of eligible pensioners who were first employed as a regular officer or employee on or after January 1, 2025, and who are not subject to mandatory retirement, is changed as follows:

1. For eligible pensioners employed by the State for at least 15 years but less than 20 years at the time of retirement, 50% of the of the premium.

2. For eligible pensioners employed by the State for at least 20 years but less than 25 years at the time of retirement, 75% of the of the premium.

3. For eligible pensioners employed by the State for 25 or more years at the time of retirement, 100% of the of the premium.

All other revisions to current law under this Act are technical changes to improve clarity and conform existing law to the standards of the Delaware Legislative Drafting Manual. These technical changes include the addition of new defined terms and the reorganization of existing law.

In § 5201 of Title 29, this Act makes the following technical changes:

1. Revises the definitions of “eligible pensioner”, “plan”, and “regular officer or employee” to remove inconsistent language and align with each other and current law.

2. To avoid repeating phrases in § 5202 of Title 29, clarifies that only for purposes of the amount of the premium paid by the State for health-care insurance plans, the term “eligible pensioner” includes the eligible pensioner’s eligible spouse and dependents and defines the following terms:

- “First employed” means the date when the eligible pensioner began work as a regular officer or employee.
- “Mandatory retirement” means mandatory retirement for members of the State Police under § 8361 of Title 11.
- “Maximum state share” means the amount of the premium that the State pays for a plan before the proration ratio is applied.
- “Premium” means the total premium or subscription charge for a health-care insurance plan provided under Chapter 52 of Title 29.

In § 5202 of Title 29, this Act makes technical changes to clarify current law regarding the amount of the premium for a health-care insurance plan that this State will pay on behalf of a regular officer or employee or an eligible pensioner by doing the following:

1. Creates the following terms:

- “Proration ratio”, which means the percentage applied to the maximum state share. For eligible pensioners, the “proration ratio” is based on when the eligible pensioner was first employed and the number of years the eligible pensioner had been employed as a regular officer or employee at the time of retirement.

- “Prorated state share”, which means the dollar amount that the State pays for a plan on behalf of a regular officer or employee or an eligible pensioner. The “prorated state share” is the product of multiplying the proration ratio with the maximum state share.

2. Revises subsection (a) to use the new terms defined under this Act.

3. Transfers the current provisions in paragraphs (b)(1) and (b)(2) that provide the maximum state share for eligible pensioners to subsection (a), so they are with the maximum state share for regular officers and employees.

4. Revises subsection (b) so that the proration ratio and how it is used to determine the prorated state share is explained in paragraph (b)(1) and the proration ratios are provided in paragraphs (b)(2) and (b)(3).

- Paragraph (b)(2) lists all groups for whom the proration ratio is 100% because there are no deductions to the maximum state share.

- Paragraph (b)(3) provides the proration ratios for eligible pensioners based on the date the eligible pensioner was first employed and years of employment as a regular officer or employee. These ratios clarify that for eligible pensioners who worked for less than the minimum number of years for the 50% proration ratio, the State does not pay anything towards the maximum state share.