

# Sponsor Statement

## HB 240

### **Medical Insurance for Retired Teachers**

***“An Act relating to eligibility for major medical insurance coverage for beneficiaries of the teachers' retirement system; and providing for an effective date.”***

Alaska's educational system is currently facing a serious problem recruiting and retaining quality teachers and administrators. Because of the shortage, it is important to develop means to retrain educators currently working in Alaska's schools. HB 240 serves as an incentive for continued employment as a teacher or administrator by establishing an incentive for person to continue employment until at least 25 years of service is achieved by a teacher or administrator.

Currently, active members of the Teacher Retirement System employed after 1990 (Tier II) may retire after 20 years of service and receive medical benefits upon reaching age 60. Between age 60 and age 65 the retiree pays one-half the group premium for retiree major medical insurance coverage. Active members of the Teacher Retirement System employed prior to 1990 (Tier I) may retire after 20 years of service and receive full retiree major medical insurance coverage.

HB 240 will provide major medical insurance coverage sooner by allowing an active member of the Teacher Retirement System to retire and receive full retiree major medical insurance coverage upon retirement.

By itself, HB 240 will not solve all of the problems in recruiting and retaining teachers and administrators in Alaska, but will be additional tool in the process. I urge you to join me in this effort by supporting HB 240.