

1 HB360
2 197268-1
3 By Representatives Pettus, Hanes, Ledbetter, Reynolds, Rich,
4 Robertson, Drake and Sorrell
5 RFD: Ways and Means General Fund
6 First Read: 04-APR-19

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8 SYNOPSIS: This bill would require that a fire
9 department provide supplemental insurance coverage
10 to pay the claims of a career firefighter who has
11 served 12 consecutive months as a firefighter and
12 who has been diagnosed with cancer under certain
13 conditions, and would make the same coverage
14 available to certain volunteer firefighters.

15 This bill would also exempt any payments
16 received by a firefighter from supplemental
17 insurance coverage or premiums paid by the
18 firefighter for the supplemental insurance coverage
19 from state income tax.

20
21 A BILL

22 TO BE ENTITLED

23 AN ACT

24
25 Relating to supplemental insurance coverage for
26 firefighters with cancer; to require coverage on a career
27 firefighter who has served 12 consecutive months as a

1 firefighter and has been diagnosed with cancer under certain
2 conditions; to make the same coverage available to certain
3 volunteer firefighters; and to exempt payments from the
4 coverage or premiums for the coverage from state income tax.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. (a) For the purposes of this act, the
7 following terms shall have the following meanings:

8 (1) CANCER. Includes bladder, blood, brain, breast,
9 cervical, esophageal, intestinal, kidney, lymphatic, lung,
10 prostate, rectum, respiratory tract, skin, testicular, and
11 thyroid cancer, leukemia, multiple myeloma, Hodgkin's
12 lymphoma, and non-Hodgkin's lymphoma.

13 (2) CAREER FIREFIGHTER. Any person employed with the
14 state, a county or municipal government, an airport authority,
15 or a fire district who has obtained certification as a
16 firefighter through and as defined by the Alabama
17 Firefighters' Personnel Standards and Education Commission, or
18 a firefighter employed by the Alabama Forestry Commission who
19 has been certified by the State Forester as having met the
20 wild land firefighter training standard of the National
21 Wildfire Coordinating Group, and is offered typical employment
22 benefits, including health insurance coverage.

23 (3) CERTIFIED VOLUNTEER FIREFIGHTER. Any person who
24 is an active member of a volunteer or combination career and
25 volunteer fire department, as recognized by the Alabama
26 Forestry Commission, and who has obtained certification as a
27 volunteer firefighter through and as defined by the Alabama

1 Firefighters' Personnel Standards and Education Commission,
2 who may or may not receive remuneration for firefighting
3 activities, but is not offered typical employment benefits,
4 including health insurance coverage.

5 (4) NON-CERTIFIED VOLUNTEER FIREFIGHTER. Any person
6 who is an active member of a volunteer or combination career
7 and volunteer fire department, as recognized by the Alabama
8 Forestry Commission, and who has not obtained certification as
9 a volunteer firefighter through and as defined by the Alabama
10 Firefighters' Personnel Standards and Education Commission,
11 who may or may not receive remuneration for firefighting
12 activities, but is not eligible for typical employment
13 benefits, including health insurance coverage.

14 (5) PAID FIRE DEPARTMENT. Any department or division
15 of the state, a county or municipal government, an airport
16 authority, or a fire district with paid employees assigned
17 firefighting duties.

18 (6) VOLUNTEER FIRE DEPARTMENT. A group of area
19 residents organized to provide fire protection and recognized
20 by the Alabama Forestry Commission as a volunteer fire
21 department.

22 (b) A paid fire department shall provide and
23 maintain sufficient insurance coverage on each career
24 firefighter to pay claims for cancer diagnosed after the
25 career firefighter has served 12 consecutive months. The
26 insurance benefits required by this act shall include, but not
27 be limited to, both of the following:

(1) One of the following lump sum benefits:

a. A lump sum benefit of twenty-five thousand dollars (\$25,000), subject to limitations specified in the insurance contract and based on the severity of the cancer, and payable to the firefighter upon submission to the insurance carrier or other payor of acceptable proof of diagnosis by a physician board certified in the medical specialty appropriate for the type of cancer involved that there are one or more malignant tumors characterized by the uncontrollable and abnormal growth and spread of malignant cells with invasion of normal tissue and that any of the following apply:

1. Surgery, radiotherapy, or chemotherapy is medically necessary.

2. There is metastasis.

3. The firefighter has terminal cancer, is expected to die within 24 months or less from the date of diagnosis, and will not benefit from, or has exhausted, curative therapy.

b. A lump sum benefit of six thousand two hundred fifty dollars (\$6,250), subject to limitations specified in the insurance contract and based on the severity of the cancer, and payable to the firefighter upon submission to the insurance carrier or other payor of acceptable proof of diagnosis by a physician board certified in the medical specialty appropriate for the type of cancer involved that any of the following apply:

1 1. There is carcinoma in situ such that surgery,
2 radiotherapy, or chemotherapy has been determined to be
3 medically necessary.

4 2. There are malignant tumors which are treated by
5 endoscopic procedures alone.

6 3. There are malignant melanomas.

7 4. There is a tumor of the prostate, provided that
8 it is treated with radical prostatectomy or external beam
9 therapy.

10 c. The combined total of all benefits received under
11 this subdivision by a firefighter during his or her lifetime
12 may not exceed fifty thousand dollars (\$50,000).

13 (2) Payable as a result of a specific injury or
14 illness, to begin six months after the disability and
15 submission to the insurance carrier or other payor of
16 acceptable proof of disability precluding service as a
17 firefighter, and continuing for up to 36 consecutive monthly
18 payments, one of the following:

19 a. For a career firefighter, a monthly benefit of
20 three thousand dollars (\$3,000).

21 b. For a certified volunteer firefighter, a monthly
22 benefit of three thousand dollars (\$3,000).

23 c. For a non-certified volunteer firefighter, a
24 monthly benefit of one thousand five hundred dollars (\$1,500).

25 (3) The benefit provided by subdivision (2), as
26 applicable, shall be subordinate to any other benefit actually
27 paid to the firefighter for the disability from any other

1 source, not including insurance purchased solely by the
2 firefighter, and shall be limited to the difference between
3 the amount of the other paid benefit and the amount specified
4 under subdivision (2), as applicable.

5 (c) (1) Any insurer who provides coverage under this
6 act shall make all coverage in subsection (b) available to any
7 volunteer firefighter who has served 12 consecutive months.

8 (2) Coverage premiums extended to a certified
9 volunteer firefighter shall be consistent with premiums
10 extended to a career firefighter. Coverage premiums extended
11 to a non-certified volunteer firefighter shall appropriately
12 reflect the reduced coverage in paragraph c. of subdivision
13 (2) of subsection (b).

14 (3) A certified volunteer firefighter or a
15 non-certified volunteer firefighter shall have completed a
16 medical physical and physical statement as required for
17 certification by the Alabama Firefighters' Personnel Standards
18 and Education Commission prior to coverage issuance.

19 (4) A volunteer fire department is not required to
20 provide or maintain sufficient insurance coverage for either a
21 certified volunteer firefighter or a non-certified volunteer
22 firefighter. An individual certified volunteer firefighter or
23 non-certified volunteer firefighter may elect to purchase the
24 appropriate supplemental benefits coverage at his or her own
25 expense. Notwithstanding any law to the contrary, nothing in
26 this subsection prevents a volunteer fire department, a county
27 or regional association of volunteer fire departments, a

municipality, or any combination of these, from optionally contributing in part or in whole to the premiums of an individual certified volunteer firefighter or non-certified volunteer firefighter.

(d) (1) In the event a career firefighter is employed for firefighting activities by multiple fire departments simultaneously, the primary employer shall be responsible for the requirements of subsection (b). The primary employer shall be identified as the employer who provides primary health insurance benefits to the career firefighter.

(2) With the exception of the benefit provided by paragraph (b) (2)a., any person who was simultaneously a member of more than one fire department at the time of diagnosis may not be entitled to participate in multiple coverages or to receive benefits under this act from or on behalf of more than one of the fire departments.

(3) Any member who received benefits under subdivision (2) of subsection (b) may be required to have his or her condition reevaluated, and in the event a reevaluation reveals that the person has regained the ability to perform duties as a firefighter, then his or her benefits under subdivision (2) of subsection (b) shall cease.

(4) Benefits under subdivision (2) of subsection (b) shall also cease upon the death of the person.

(5) Any firefighter, after at least one year of coverage under this act, who departs from employment, ceases to be an active volunteer, or retires, shall be entitled to

1 continue his or her coverages under this act through a
2 continuation of or conversion to individual coverage. The
3 premium cost for individual coverage shall be equivalent to
4 the current cost of active firefighters.

5 (e) In addition to any other purpose authorized by
6 law, a county governing body or a municipal governing body may
7 use proceeds from county and municipal taxes not earmarked for
8 other purposes for the purposes of providing insurance
9 pursuant to this act.

10 (f) Any funds received as premiums for the coverages
11 provided by this act may not be subject to any premium taxes
12 otherwise required by law.

13 (g) The computation of premium amounts by an insurer
14 for the coverages under this act shall be subject to generally
15 accepted adjustments from insurance underwriting.

16 (h) The Alabama Firefighters' Personnel Standards
17 and Education Commission may adopt rules as are reasonable and
18 necessary to implement this act.

19 (i) Both of the following are exempt from state
20 income tax:

21 (1) The payments received by a firefighter pursuant
22 to this act, to any extent the amounts are included in the
23 federal adjusted gross income of the taxpayer and are not
24 otherwise exempt under any other law.

25 (2) An amount equal to 100 percent of any premium
26 paid by the individual taxpayer during the taxable year for
27 coverage pursuant to this act, to any extent any deduction has

1 not been included in the federal adjusted gross income of the
2 taxpayer and the amount is not otherwise deductible under any
3 other law.

4 Section 2. This act shall become effective on
5 January 1 of the next year following its passage and approval
6 by the Governor, or its otherwise becoming law.