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FOR IMMEDIATE RELEASE

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Pending Medical Subsidy Legislation

(Concord, N.H.) Under current law qualified retired members who are eligible for the medical subsidy receive an 8% increase in the medical subsidy amount each year on July first. The medical subsidy is a separately funded benefit and not a part of the defined benefit pension fund. Continued funding and or increases for the subsidy are under review by the legislature. Future funding and funding methods are being considered as part of House Bill (HB) 1645.

Currently House Bill (HB) 1645, under the Senate version, freezes the medical subsidy immediately with no increases for July 1, 2008 through and including July 1, 2011. It then adds a 4% annual increase commencing July 1, 2012 and each July 1 thereafter. House Bill (HB) 1645 passed the House of Representatives March 13, 2008 with a different proposal. Before any proposal is written into law, the bill will be heard on the Senate floor, be referred to the Finance Committee, and likely to the Committee of Conference. Please be advised that **any** increase for the medical subsidy is uncertain at this time.

As information concerning legislation becomes available, NHRS will post updates to the website at <http://www.nhrs.org/News/LegUpdates.aspx>.

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