



SF 4464 (Howe): Continued Health Insurance Coverage for Duty- Disabled Peace Officers and Firefighters

Prepared by: Susan Lenczewski, Executive Director

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Introduction

Affected Plan:	None
Law Amended:	Minnesota Statutes, section 299A.465, subdivision 1
Brief Description:	The bill revises the statute that requires employers to continue to provide and pay for health insurance coverage for peace officers and firefighters who are receiving duty disability benefits under the MSRS State Patrol Plan or the PERA Police and Fire Plan. The bill requires continued health insurance coverage until age 65, rather than for 60 months, for peace officers and firefighters receiving duty disability benefits unless the duty disability is based solely on a psychological condition.

Background

Minnesota Statutes, section 299A.465, subdivision 1, requires employers to continue to provide health insurance coverage to employees who are peace officers or firefighters and who are determined eligible to receive a duty disability benefit under the PERA Police and Fire Plan or the MSRS State Patrol Plan. Employers must pay for the coverage and, under subdivision 4, may apply annually to be reimbursed from the public safety officer's benefit account administered by the commissioner of public safety.

Legislation enacted in 2023 revised the duty disability statutes in PERA's chapter 353 and MSRS' chapter 352B to address the increase in duty disability applications and approvals where the disability was psychological, e.g. PTSD. In addition, the legislation provided for a transfer from the general fund to the public safety officer's benefit account of \$100 million (in addition to the transfer already required by law of \$1,367,000 annually).

As the need for reimbursement from the public safety officer's benefit account increased, so did the P&F Plan's need to pay duty disability benefits. To slow the outflow, legislation in 2025 was approved by the Commission and eventually enacted, resulting in the following changes:

- For a peace officer or firefighter who applied for or was approved for duty disability benefits before the date of enactment, May 23, 2025, or who is approved for total and permanent duty

disability benefits, the employer must provide and pay for continued health coverage until age 65.

- For a peace officer or firefighter who applies for duty disability benefits on or after May 23, 2025, the employer must provide and pay for continued health coverage for 60 months or, if earlier, age 65.
- A new provision prohibits a peace officer or firefighter from waiving continued health insurance coverage in exchange for payment or other consideration from the employer.
- A new provision prohibits an employer from challenging the continuation of health coverage once a duty disability determination is made.

None of these changes apply to members of the State Patrol Plan.

Public safety officer’s benefit account. Based on information received from Minnesota Management and Budget, as of February 23, 2026, the account had \$50,232,456.07 available for reimbursement.

Also, according to MMB, spending has been increasing each year from this account. FY 2026 is on pace to be approximately 33% higher than FY 2025.

Transfers in and expenditures from the account, by fiscal year:

State Fiscal Year	Transfers in	Payments out
FY 2024	\$ 101,367,000.00	\$ 14,865,220.31
FY 2025	\$ 1,367,000.00	\$ 20,908,548.59
FY 2026 to-date	\$ 1,367,000.00	\$18,094,775.03

Section- by- Section Summary

The bill consists of one section that amends Section 299A.465, subdivision 1, and an effective date.

Lines 1.15 to 1.16 add a new category of peace officers and firefighters who are eligible to continue receiving health insurance coverage until age 65: peace officers and firefighters whose duty disability payments end at 60 months because they did not have at least 20 years of allowable service credit at the time of the disability. The reference to section 353.656, subdivision 1, paragraph (b), clause (2), is to the requirement that if a member does not have at least 20 years of allowable service credit, the duty disability pension ends with the 60th month of payment.

Lines 2.1 to 2.4 requires a peace officer or firefighter who wishes to continue health insurance coverage under the new provision in lines 1.15 to 1.16 must make a request for the coverage to PERA.

Lines 3.4 to 3.23 reinstates the pre-2025 requirement that employers continue to provide health insurance coverage until the member reaches age 65, but only for members whose duty disability is not based solely on a psychological condition. Members receiving total and permanent duty disability continue to receive coverage until age 65 and are not affected by the bill.

The requirement to receive employer-paid health insurance coverage to age 65 applies to:

1. peace officers and firefighters who have applied for, been approved to receive, or are receiving a duty disability pension prior to May 24, 2025;
2. peace officers and firefighters who are receiving a total and permanent duty disability pension; and
3. on or after May 24, 2025, peace officers and firefighters receiving a duty disability pension that is not based solely on a psychological condition.

Also, because a duty disability benefit under the Police and Fire Plan ends and converts to a retirement benefit under Section 353.656, subdivision 5a, language is added to state that the health insurance coverage continues to age 65 even if the duty disability benefits cease under Section 353.656, subdivision 5A.

Lines 3.24 to 3.33 retain the 60-month limit for members approved for a duty disability pension based on a psychological condition. The language states that the 60-month limit does not apply to members approved for total and permanent duty disability and members approved for a duty disability pension that is not solely based on a psychological condition.

Effective date: The bill is retroactively effective to May 24, 2025.