

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB332**

**Bill Subtitle: TO AMEND THE EMPLOYER CONTRIBUTION RATE FOR THE PUBLIC SCHOOL EMPLOYEES' HEALTH INSURANCE PROGRAM.**

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### **Basic Change :**

Senator Key

Increases the minimum contribution per enrolled employee from \$131 per month to \$150 per month for the various school districts on the health plan

### **Revenue Impact :**

Additional employer contribution of \$5.1 million assuming enrollment adjustments as below in "comments" section. This amount accounts for the current amounts above \$131 but below the projected \$150 provided by some districts.

### **Taxpayer Impact :**

None

### **Resources Required :**

None

### **Time Required :**

None

### **Procedural Changes :**

Small program modification to raise minimum contribution in invoicing system

### **Other Comments :**

According to the billing information contained in the monthly premium invoicing system, there are currently 100 public school entities that already contribute \$150 or more with an average participation rate of 70%.

The remaining entities contribute less than \$150 and have a participation rate of 64%. Assuming an increased employer contribution amount will result in a 70% participation rate for this group as well, there is projected to be 2,189 new participating employees in 2014. An increase to the "per participating employee" contribution plus the additional enrolled employees on the plan, the new employer contribution amount will equal \$5.1 million for the 2014 plan year.

### **Legal Analysis :**

None