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FISCAL IMPACT REPORT

SPONSOR Gorham DATE TYPED 02/05/04 HB _____

SHORT TITLE State Employee Health Care Task Force SB 530

ANALYST Geisler

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	25.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to: SB 538, HB 561, SB 373, HB 451, HB 283, SB 305

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

This Bill creates a state employee health care task force that shall examine the statutes, constitutional provisions, rules and court decisions governing health care coverage for state employees and shall recommend legislation or changes, if any are found, to the legislature.

The task force will have 11 members: three from the House of Representatives, three from the Senate, 2 governor's appointees, and 3 state employees. Staff will be provided by the legislative council service. The task force will meet monthly and the report is due to legislative health and human services committee and the legislative finance committee by November 1, 2004.

Significant Issues

The bill requires a comparison of what other states have done to:

- 1) provide appropriate health care coverage to their employees;
- 2) offer options, including varying levels of coverage;
- 3) determine state and employee contributions based on the employee's income;

- 4) offer incentives for wellness programs or initiatives; and
- 5) control the costs of health care.

FISCAL IMPLICATIONS

The bill contains an appropriation of \$25,000 from the general fund in FY 05 to the legislative council service to assist to task force in carrying out its duties.

RELATIONSHIP

SB 530 relates to SB 538 and HB 561 which propose to create a Health Care Purchasing Authority; and SB 373, HB 451, HB 283, and SB 305 which propose changing the employer contribution percentage for employee health benefit programs.

QUESTION

The bill does not contain an emergency clause or FY 04 funding. If the task force waits until the start of FY 05 (July 1, 2004) to begin its work, will four months be enough time to complete the report?

AMENDMENT

Suggest replacing “teacher merit task force” with “state employee health care task force” in Section 5 of the bill.

GGG/njw:lg