

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1128

Bill Subtitle: TO AMEND THE LAW REGARDING HEALTH INSURANCE ELIGIBILITY FOR CERTAIN RETIREES.

Basic Change :

Representative Kizzia

Allows an eligible retiree to rejoin the health plan after they were insured by either a group or an individual health insurance policy while away. Currently retirees can only rejoin if covered by employer-sponsored group policy. Anticipated impact of approximately 500 additional members with majority (80% or more) being on public school retiree plan and growth would occur over next few years.

Revenue Impact :

Minimum. With more than 25,000 current retired members, the growth of 500 additional members will not have a negative impact on the plan. Retiree population (state and school combined) grew more than 3,000 lives between January 2012 to January 2013.

According to actuary estimates, cost adjustment to the public school Medicare primary group (largest group to be impacted by this bill) would be between \$1 to \$2 per month.

Taxpayer Impact :

None

Resources Required :

None

Time Required :

None

Procedural Changes :

Internal enrollment department at EBD would review for any health insurance coverage, not just group coverage, for retirees requesting to rejoin the plan.

Other Comments :

None

Legal Analysis :

None