

## PURPOSE OF BILL: HB 1240

To expand eligibility for coverage under the State And Public School Life And Health Insurance program to certain volunteer firefighters.

## ACTUARIAL STATEMENT

The Fiscal Impact Statement was prepared according to generally accepted actuarial principles and practices, in compliance with ACT 112. The Statement provides an estimate of the financial and actuarial effect of the proposed change(s) on the Plans, if possible. The Statement makes no comment or opinion with regard to the merits of the measure for which the Statement is prepared; however, any identified technical or mechanical defects have been noted.

We have reviewed the input and results of our analysis for reasonableness and relied upon the data and information provided by the Plans and their Claims Processing Contractors.

A handwritten signature in black ink, appearing to read "Patrick Klein".

3/11/2025

---

Patrick Klein, FSA, MAAA  
Vice President, Segal

---

Date

A handwritten signature in black ink, appearing to read "Matthew Kersting".

3/11/2025

---

Matthew Kersting, FSA, MAAA  
Vice President, Segal

---

Date

## PROJECTED COSTS

Plan	Plan Design Change	Estimated Cost/(Savings)
EBD	No Change	Indeterminable

## PRICING APPROACH AND COMMENTS

House Bill 1240 expands eligibility for coverage in the State health plan to volunteer firefighters. We understand there are approximately 12,000 volunteer firefighters who would gain eligibility. The bill states that the premium charged will be determined by the State Board of Finance or the cost of the policy issued to the volunteer firefighter. Also, the volunteer firefighter's portion of the premium may be paid in full or partially by the fire department that employs the volunteer firefighter. If State Board of Finance elects to make premium equal to per capita cost of coverage for volunteer firefighters, the cost impact on EBD will be negligible. If premium is set below full cost, cost will be proportional to participation, that is heavily dependent on out of pocket costs for potential enrollees.

Without knowing the premium charged and firefighter contribution we cannot determine the impact on EBD. The impact can be minimized by charging premiums meant to cover the full costs of the potential new entrants.