

STATEMENT OF PURPOSE

RS24439C1

This legislation requires the state to offer state employees a health benefit plan that utilizes Health Savings Accounts (HSA) paired with high-deductible health plans. An HSA is a tax-free financial account that is designed to allow state employees to set aside money for current and future medical expenses. This legislation further requires that the employer cost of the HSA-compatible health plan does not exceed the average per person employer cost of traditional insurance plans that the state is currently offering.

HSA's, paired with high-deductible health plans, can create a win-win situation for taxpayers and public employees. The plans provide state employees more savings, choice and control over their health care needs and expenses, while offering an opportunity for the State to reduce its health insurance costs for state employees.

FISCAL NOTE

This bill will require a \$65,000 change in the State Controller's computer system. Funding of HSA's must be balanced with reduced costs by offering higher deductible health insurance products.

Contact:

Senator Steven P. Thayn
(208) 332-1417