

IN THE HOUSE OF REPRESENTATIVES

HOUSE CONCURRENT RESOLUTION NO. 13

BY HEALTH AND WELFARE COMMITTEE

A CONCURRENT RESOLUTION

STATING FINDINGS OF THE LEGISLATURE AND AUTHORIZING THE LEGISLATIVE COUNCIL
TO APPOINT A COMMITTEE TO CONTINUE A STUDY OF THE STATE EMPLOYEE GROUP
INSURANCE PLAN STRUCTURE AND TO MAKE RECOMMENDATIONS.

Be It Resolved by the Legislature of the State of Idaho:

WHEREAS, the State of Idaho offers a health insurance benefit to nearly
20,000 individuals employed by the state, of whom 18,600 employees opt into
the group health insurance plan that supports an additional 26,900 depen-
dents; and

WHEREAS, the insurance plan structure currently has two enrollment
tiers with 210 employees falling into the part-time tier that is defined as
employees working 20-29 hours per week, while the remaining employees are
enrolled in the full-time tier; and

WHEREAS, Idaho state appropriations for health insurance costs have in-
creased at an annualized rate of 7.4% since fiscal year 2013, or 43% in the
last five years, from \$8,850 for each full-time position in fiscal year 2013
to \$12,240 in fiscal year 2017; and

WHEREAS, the plan is currently qualified as "grandfathered" in relation
to the federal Patient Protection and Affordable Care Act because it was in
effect prior to March 2010, which exempts the plan from certain provisions of
that act; and

WHEREAS, in 2016, the Idaho Legislature authorized a legislative study
committee to study the state employee group insurance plan structure and
compensation package; and

WHEREAS, the 2016 State Employee Group Insurance and Benefits Committee
met five times in 2016, hearing testimony and presentations from state agen-
cies, local government and insurers; and

WHEREAS, during their meetings, the legislative study committee
learned about different models and approaches to health care benefits,
such as health savings accounts, high-deductible plans, accountable care
organizations, direct primary care arrangements, patient-centered care,
value-based provider reimbursement, an integrated partnership model be-
tween providers, carriers and patients, and a coordinated care organization
model for Oregon Medicaid patients; and

WHEREAS, the legislative study committee also learned about the conse-
quences to the State of Idaho of retaining or moving away from grandfathered
status under the Affordable Care Act and of changing the current structure of
health insurance for state employees to a self-insured model; and

WHEREAS, the legislative study committee's Final Report made a number
of findings and recommendations, including reauthorizing the study commit-
tee for 2017 and employing a consultant to advise and assist the committee in
recommending a model of health care that contains the rising cost of health

1 care but also provides quality health care to state employees and their de-
2 pendants.

3 NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Ses-
4 sion of the Sixty-fourth Idaho Legislature, the House of Representatives and
5 the Senate concurring therein, that the Legislative Council is authorized to
6 appoint a committee to continue the work of the 2016 State Employee Group In-
7 surance and Benefits Committee in studying the state employee group insur-
8 ance plan to include, but not be limited to, consideration of the costs and
9 benefits of allowing the grandfathered status of the current plan to lapse,
10 as well as the structural plan changes that will be required as a result; con-
11 sideration of other cost-effective benefit plan changes while maintaining
12 a total compensation and benefits package; consideration of a self-insured
13 plan or a fully insured plan structure; and development of a list of changes
14 to the employee group insurance benefit package, as well as potential statu-
15 tory changes outlining the minimum employee group insurance benefit plan de-
16 sign that will comply with the Patient Protection and Affordable Care Act
17 should the Legislature adopt structural plan changes.

18 BE IT FURTHER RESOLVED that the committee is also authorized to retain
19 the services of a consultant or analyst, with the prior approval of the
20 Speaker of the House of Representatives and the President Pro Tempore of the
21 Senate, who is familiar with health insurance and health care plans and who
22 can provide advice and assistance to the committee in selecting the most
23 appropriate form of employee health care benefit plan for recommendation to
24 the Idaho Legislature.

25 BE IT FURTHER RESOLVED that the committee shall report its findings,
26 recommendations and proposed legislation, if any, to the Second Regular
27 Session of the Sixty-fourth Idaho Legislature.