

1 **LEGISLATIVE DIRECTION TO THE PUBLIC**
2 **EMPLOYEES' BENEFIT AND INSURANCE**
3 **PROGRAM**

4 2009 GENERAL SESSION

5 STATE OF UTAH

6 **Chief Sponsor: Brad L. Dee**

7 Senate Sponsor: Daniel R. Liljenquist

8
9 **LONG TITLE**

10 **General Description:**

11 This resolution directs the Public Employees' Benefit and Insurance Program on the
12 medical coverage premium share and increase costs issues for state employees.

13 **Highlighted Provisions:**

14 This resolution:

15 ▶ directs PEHP and the Department of Human Resource Management to change the
16 current employer premium share for HMO medical coverage to 95% employer and
17 5% employee and adjust the high deductible plans proportionately; and

18 ▶ directs PEHP and the executive director of the Department of Human Resource
19 Management to formulate benefits for Fiscal Year 2009-10 to cover any remaining
20 health care cost increases.

21 **Special Clauses:**

22 None

23
24 *Be it resolved by the Legislature of the state of Utah:*

25 WHEREAS, in accordance with Section 49-20-201, the state participates in the Public
26 Employees' Benefits and Insurance Program;

27 WHEREAS, Subsection 49-20-401(1)(g) provides that the program must "consult with
28 the covered employers to evaluate employee benefit plans and develop recommendations for
29 benefit changes";

30 WHEREAS, Subsection 49-20-401(1)(h) provides that the program "annually submit a
31 budget and audited financial statements to the governor and Legislature which includes total
32 projected benefit costs and administrative costs";

33 WHEREAS, Subsection 49-20-401(1)(i) provides that the program "maintain reserves
34 sufficient to liquidate the unrevealed claims liability and other liabilities of the employee
35 benefit plans as certified by the program's consulting actuary";

36 WHEREAS, Subsection 49-20-401(1)(j) provides that the program "submit, in
37 advance, its recommended benefit adjustments for state employees to ... the Legislature; and ...
38 the executive director of the state Department of Human Resource Management";

39 WHEREAS, Subsection 49-20-401(1)(k) provides that the program "determine
40 benefits and rates, upon approval of the board, for multiemployer risk pools, retiree coverage,
41 and conversion coverage"; and

42 WHEREAS, Subsection 49-20-401(1)(l) provides that the program "determine benefits
43 and rates based on the total estimated costs and the employee premium share established by
44 the Legislature, upon approval of the board, for state employees":

45 NOW, THEREFORE, BE IT RESOLVED that the Legislature directs the program and
46 the executive director of the Department of Human Resource Management to change the
47 state's contribution for health maintenance organization medical coverage to be based on a
48 95% employer and 5% employee premium share and that the state's contribution for high
49 deductible medical coverage plans be adjusted proportionately.

50 BE IT FURTHER RESOLVED that the Legislature directs the program and the
51 executive director of the Department of Human Resource Management to formulate benefits
52 for Fiscal Year 2009-10 to cover any remaining health care cost increases.