

State Impact

The plan created under this bill will be self-funded by employer premiums and enrollee cost-sharing requirements. However, plan reserves will require an appropriation or loan of state funds when the plan begins in FY 2008. Absent an actuarial study, no reliable estimate of the plan reserves or the portion of state funding required is available.

Determinants of the required reserves include the number of plan enrollees, plan design (based on recommendations of council created in the bill), and demographics of the plan risk pool.

This bill creates the Utah Small Business Health Plan Advisory council. In addition to the partial funding of plan reserves described above, passage of this bill will necessitate an annual General Fund appropriation of at least \$2,280 (for the minimum of quarterly meetings called for in the bill) for compensation and expenses for the two legislators appointed to this council. Other council members may receive per diem and expenses incurred in the performance of their council duties at the rate established by the Division of Finance, currently \$60.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>
General Fund	\$2,300	\$2,300	\$0	\$0
TOTAL	\$2,300	\$2,300	\$0	\$0

Individual and Business Impact

Eligible small businesses and their employees may be affected by this bill, the impact will depend on design and cost of the plan offered relative to other available options.
