

House Resolution 1535

By: Representative Scott of the 153<sup>rd</sup>

#### A RESOLUTION

1 Creating the State Health Benefit Plan Design Team; and for other purposes.

2 WHEREAS, the State Health Benefit Plan is a self-insured health benefit product, insuring  
3 eligible employees and retirees of state agencies, authorities, and boards of education and  
4 other educational entities, administered by a third-party administrator; and

5 WHEREAS, with the cost of health claims rising significantly each year, there is a need to  
6 determine new and innovative ways to contain such costs; and

7 WHEREAS, a plan design team can review and determine areas where rising costs can be  
8 contained and determine a more cost effective plan design to better meet the needs of  
9 covered employees, retirees, their spouses and dependents, and the State.

10 NOW, THEREFORE, BE IT RESOLVED BY THE GENERAL ASSEMBLY OF  
11 GEORGIA that there is created the State Health Benefit Plan Design Team to be composed  
12 of no less than 14 persons. The Governor shall appoint one or more representatives from the  
13 Department of Community Health; one or more representatives from the Georgia Merit  
14 System of Personnel Administration; a representative from the State Health Benefit Plan  
15 Task Force; the Commissioner of the Georgia Department of Corrections, ex officio; the  
16 director of the Georgia Forestry Commission, ex officio; a human resources officer currently  
17 employed by a state department; a representative from the Board of Regents of the University  
18 System of Georgia; three persons who are currently employed full-time as teachers for  
19 boards of education in Georgia who receive health benefits from the State Health Benefit  
20 Plan; a human resources officer currently employed by a board of education in Georgia; two  
21 persons currently employed full-time as employees for state agencies not otherwise  
22 represented on the Plan Design Team who receive health benefits from the State Health  
23 Benefit Plan; and two persons who are retirees who receive health benefits from the State  
24 Health Benefit Plan.

1 BE IT FURTHER RESOLVED that the Plan Design Team shall undertake the following to  
2 determine means to curb rising costs of health benefits provided to eligible employees and  
3 retirees of state agencies, authorities, and boards of education and other educational entities:

- 4 (1) Leverage the work and recommendations of the State Health Benefit Plan Task Force  
5 report dated October 11, 2005;
- 6 (2) Review the existing State Health Benefit Plan;
- 7 (3) Include a review of all areas of the State Health Benefit Plan including medical  
8 options, utilization, access to care, duplication of coverages, and the actual number of  
9 options offered and include a review of the types of HMO options currently in the State  
10 Health Benefit Plan and whether there is a need to continue them;
- 11 (4) Compare the State Health Benefit Plan with other state and private industry plans  
12 through the State and Local Government Benefit Association;
- 13 (5) Compare the options and costs of the State Health Benefit Plan with those of the  
14 medical plan of the Board of Regents of the University System of Georgia;
- 15 (6) Complete an analysis to determine the feasibility of continuing to offer Consumer  
16 Options (CO). Consumer Options is confusing to employees, experiences low utilization,  
17 and is expensive, and there is a concern as to whether it is worth the extra cost of providing  
18 the option;
- 19 (7) Engage several focus groups throughout the state with eligible plan participants  
20 including retirees to review plan design recommendations and solicit their input into the  
21 process;
- 22 (8) Present plan design recommendations to benefit consultants for validation and best  
23 practices; and
- 24 (9) Complete actuarial studies to compare the existing plan to proposed plans and develop  
25 cost models.

26 BE IT FURTHER RESOLVED that the Plan Design Team shall make a report of its findings  
27 and recommendations to the Governor, with suggestions for proposed legislation, if any, on  
28 or before December 31, 2006. The members of the team shall not receive any compensation  
29 for their services on the team, but they shall be reimbursed for expenses incurred by them in  
30 the performance of their services as members of the team in the same manner as they are  
31 reimbursed for expenses in their capacity as officials or employees. The funds necessary for  
32 the reimbursement of the expenses shall come from funds appropriated to or otherwise  
33 available to their respective employers. Except as otherwise provided in this resolution, all  
34 funds necessary to carry out the provisions of this resolution shall come from funds  
35 appropriated to the House of Representatives and the Senate. The State Health Benefit Plan  
36 Design Team shall stand abolished on December 31, 2006.