

MINUTES
HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Monday, March 13, 2017

TIME: 1:30 P.M.

PLACE: Room EW05

MEMBERS: Chairman Hartgen, Vice Chairman Anderson, Representatives Harris, Holtzclaw, Horman, Packer, Redman, Kingsley, Moon, Syme, Scott, King, Chew

**ABSENT/
EXCUSED:** Reps. Harris, Holtzclaw and Packer

GUESTS: None

Chairman Hartgen called the meeting to order at 1:30 pm.

MOTION: **Rep. King** made a motion to approve the minutes of the March 7, 2017 meeting.
Motion carried by voice vote.

Jennifer Pike, Administrator, Office of Group Insurance, presented on the state's group insurance component of total compensation. She discussed the plans administered by the Office, which are: Basic Life Insurance, Voluntary Term-Life, Short and Long-Term Disability, Flexible Spending Accounts, Active employee dental, and Active employee and retiree medical. Basic Life and Disability are automatic benefits included with employment, while the others are optional. The medical insurance is the largest dollar value program and covers nearly 47,000 people.

The health benefit plan is a fully-insured plan, so the state is removed from ultimate liability for claims and defending claim decisions. There is, however, a unique funding mechanism that reconciles the account with Blue Cross of Idaho at the end of each month and if there are excess funds, they are returned to the state. The state also maintains a contingency reserve. The projected medical and dental costs for fiscal year 2018 are \$350.8 million.

In response to Committee questions, **Ms. Pike** explained school districts are eligible to participate in the state's health benefit plan, but only a handful of districts have made inquiries and none have joined. She stated districts pay significantly more for their dependent premiums, but beyond that did not know how their current health coverage compared to that offered by the state. The Office has not worked on any legislation to encourage districts to join.

Chairman Hartgen announced the Committee will now meet subject to the call of the Chair.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:16 pm.

Representative Hartgen
Chair

Erica McGinnis
Secretary