

MINUTES
(Subject to Approval by the Committee)
K-12 Health Insurance
Thursday, September 29, 2022
12:00 P.M.
Room WW53
Boise, Idaho

Members in attendance: Cochair Representative Rod Furniss and Representatives Wendy Horman, Julie Yamamoto, and Sally Toone; Cochair Senator Dave Lent and Senators Fred Martin, Julie VanOrden(Bair), and Janie Ward-Engleking. Absent/excused: Representative Megan Blanksma and Senator Jim Woodward; Legislative Services Offices (LSO) staff in attendance: Trevor Ahrens, Jared Tatro, and Jennifer Kish.

Other attendees: Bret Rumbeck - Blue Cross of Idaho; and Peyton Nunes - Idaho Assoc. of Health Underwriters.

NOTE: Presentations and handouts provided by the presenters/speakers are posted to the Idaho Legislature's website <https://legislature.idaho.gov/sessioninfo/2022/interim> and copies of those items are on file at the Legislative Services Office in the State Capitol. Recordings of the meeting may be available under the committee's listing on the website.

OPENING REMARKS / INTRODUCTIONS

Cochair Furniss called the meeting to order at 12:05 p.m.; a silent roll call was taken. Cochair Furniss introduced Cochair Lent and summarized that the meeting was mainly to establish the objectives of the committee. He explained that [HB443](#) (2022) created a dedicated fund for the purpose of funding the one-time amount required for public schools to buy in to the state's medical and dental group insurance plan and established limits for the amount that could be allocated per school district. The committee's first objective was to discuss ways to help those schools that were unable to fund the buy-in amount. Additionally, [HB797](#) (2022) provided funding for the accounts established by HB443 and required a survey of the public school districts and public charter schools to detail actual appropriations and expenditures for health benefit or insurance distributions for FY2021 and FY2022.

Cochair Lent encouraged the committee to keep in mind the scope and schedule of the committee and the time frame to achieve its objective.

Cochair Furniss reported (per Jennifer Pike, Administrator of the Idaho Office of Group Insurance) that twenty-six school districts, representing 5,300 benefit eligible employees, joined the medical and dental plan, while five districts joined the flexible spending plan; six of the districts were able to buy in solely with the money allotted. Cochair Furniss commented that the plan was intentionally underfunded by the Legislature because it was not sure about the actual participation of the districts. He reported that Ms. Pike had spoken with 70-80 other school districts that would have renewal periods in January, July, or September of 2023, and that she expected many more schools to join.

- Sen. Ward-Engleking commented that she had numerous school employees contact her to thank her for the efforts of these bills because it enabled them to acquire quality insurance for their families, some were even able to come off Medicaid.
- Rep. Horman clarified that the account was not underfunded but rather funded on the basis of the current funding formula. For example, if the school hired beyond what the state had funded, those additional positions were not covered, though those positions were able to be covered by another method. She added that the goal was not intended to get everyone on the state plan but rather to enable employees to find better and affordable health care. She hoped that the surveys would provide crucial information in understanding what needed to happen next.

Cochair Furniss commented that the plan was funded at 1.55, meaning there were .55 staff per teacher. He discovered that many school districts were operating at 1.85-1.97 because schools have had to hire more staff to assist teachers due to more students.

Potential Presentations and Guest Speakers

At 12:25 p.m., Jared Tatro, Deputy Manager of LSO's Budget and Policy Analysis Division, shared the information he had regarding the survey. He noted that the surveys went out October 4 and were due back December 1. Mr. Tatro provided an example of the blank survey to the committee members, which was created with input from legislative members, the Dept. of Education, the Board of Education, and various district and charter schools. He referred to the requirements and details of the survey as outlined in section 5 of HB797 (2002) and spoke to the many methods that the survey was being publicized.

- Sen. Lent asked about actual standard cost for schools in comparison to the \$19,698 amount stated on page 3, lines 32-36 of HB797. Mr. Tatro commented that the amount would be at the discretion of the next Legislature, possibly the amount needed to be explained better or possibly it needed to be tied into other data. Sen. Lent commented that the Legislature needed to better explain the standard; if the amount should be "equal to" or "better than" the state program then that should be stated.
- Rep. Horman commented that earlier efforts of funding health insurance targeted the discrepancy between the cost of health insurance and the amount the state provided to cover those costs. It was discovered that the term "discretionary" was being interpreted differently by the districts. She anticipated that the current survey would provide qualitative data to establish better guidelines.

Outcome, Scope, and Schedule Prior to the 2023 Legislative Session

- Sen. Ward-Engleking noted that the governor's intention was for an amount of money to be set aside to provide the same type of coverage for school employees as was provided to current state employees. She noted that the Division of Fiscal Management (DFM) and the governor's office acknowledged that the account was underfunded due to the estimation method.
- Cochair Furniss proposed taking the funding out of the discretionary "bucket" and making it a line item for better clarification. Rep. Horman clarified that it *was* a line item but within the discretionary bucket, but agreed that it needed better clarification.
- Cochair Lent encouraged members to communicate ideas before the next meeting to provide better funding.

After a discussion on future meeting dates, possibly targeting early December, the meeting was adjourned at 12:43 p.m.