

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill No. 1508

(List bill or resolution and number, if available, or subject)

Amendment to:

(List bill or resolution and number)

Requested by: _____ Date of receipt: _____ 19__

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type)

PROJECTED BLUE CROSS-BLUE SHIELD PREMIUMS

January 1, 1977 to December 31, 1977

<u>No. of Contracts</u>	<u>Type</u>	<u>Current Total Cost - State Paid</u>
4,110	Single	\$107,000.00
468	Single Medicare	8,392.00
4,872	Family	124,236.00
<u>141</u>	Family Medicare	<u>3,500.00</u>
9,591		\$243,128.00 (A)
Add:	Employee Paid	
	Regular Family Premium	256,315.00 (B)
	Family Medicare	<u>1,400.00</u> (B)
	Total Monthly Premium	<u>\$500,843.00</u>

\$500,843.00 X 12 = \$6,010,116.00 Total Yearly Premium

Currently the State pays 49% of total health premium cost:

(A) 243,128.00 X 12 = \$2,917,536.00 (49%)

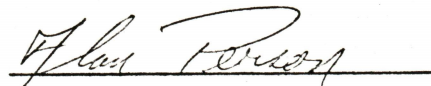
(B) 257,715.00 X 12 = 3,092,580.00 (51%)

\$6,010,116.00

* The biennium cost is then estimated at \$12,020,232.00. Additional cost to the state will be approximately \$6,200,000.00.

Date of preparation: 1-31-77

Signed



Typed Name Alan Person, Assistant Director

Department ND Public Employee's Retirement System

file: 1977 fiscal notes HB 1508

FEB 9 1977

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

ALVIN A. MAYER
Chairman

BOX 1214
BISMARCK, NORTH DAKOTA 58505
Telephone: 224-2975

TOR A. HEGLAND
Executive Director

ALAN PERSON
Assistant Director

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Executive Officer

February 8, 1977

Mr. John D. Olsrud
Assistant Director
N.D. Legislative Council
State Capitol
Bismarck, ND 58505

Dear John:

As per your request, I am giving you an estimated reduction in the fiscal note record for House Bill 1508.

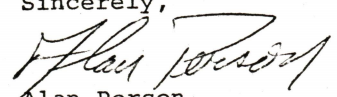
Our estimate is based on the number of estimated family insurance contracts associated with those employees with less than five years of employment. We have an estimated 5,100 retirement system members with less than five years of employment. About 70% of these, however, are under the age of 30. With this in mind, they would possibly be considered to have just single Blue Cross - Blue Shield contracts. The number of family contracts associated with the remaining 30% would be quite small, perhaps only 1000. If we use the 1000 contract figure and the difference between a family and single contract of \$52.61, we can see the reduction in the additional ~~life~~ would amount to approximately ~~\$100,000~~ per biennium. *Blue Cross - Blue Shield* \$1,262,640

I am hoping these are the figures that you may be looking for for the House committee.

The above corrections were verified by phone with Alan Person 2/9/77

AP

Sincerely,



Alan Person
Assistant Director

AP:ss
 Computation:
 \$52.61 per month
 x 12
 \$631.32 per year
 x 1000 employees
 \$631,32000 per year

\$ 631,320
 x 2
 \$1,262,640 per biennium

employee family insurance

OK
ED

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1508

On page 1, line 19, after the word "employees" insert the ^{total of} following: "who have been employed by the state for three continuous years and are employed for more than twenty hours per week and more than five months per year and are"

And renumber the lines accordingly.

call
2976 Al Person

Al will attempt to get this info & will call back.

Al doesn't have info on 3 yrs., but there are 5,148 with less than 5 years (out of 9627 employees)

Not including Higher Ed.

Al is programming to get info on 3 yr employees