

2015 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HCR 3003

2015 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Fort Union, State Capitol

HCR 3003
1/22/2015
22356

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Study state contributions to state employee health insurance premiums, including the effect of the federal Affordable Care Act on the state uniform group insurance program.

Minutes:

"Click to enter attachment information."

Chairman Kasper opened the hearing on HCR 3003.

Rep. Jeff Delzer, District 8, Chair of the Government and Finance Committee, appeared in support of HCR 3003. We looked at the health insurance for state employees and to see if there were grounds to set an upper limit that the state would pay where the employees would have to pay on top of that. We learned if we want to stay grandfathered in, the most we could charge state employees would be 5% and that would have to be off of either a single plan or a family plan. It can't be off of the blended rate that the state uses. The committee did pass other suggested changes to the benefit package. We decided in the end to pass out and ask this legislature to consider a resolution to keep looking at the health insurance. Unfortunately we found out insurance rates are going up roughly 18 ½%. They will go from \$982 per blended rate to \$1,162 for the state. I ask for favorable consideration.

Chairman Kasper This is just recommending a study? It is not a mandatory study?

Rep. Delzer Anything in a resolution is considered a suggestion for a study. If it is a bill and says "shall study", the Management Committee has to adopt that study. If it says "shall consider study", then they have the opportunity after the session is over to decide which studies they want. Any resolution that is a study resolution is a "shall consider."

No opposition.

The hearing was closed.

2015 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee

Fort Union, State Capitol

HCR 3003

1/30/2015

22883

Subcommittee

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Study state contributions to state employee health insurance premiums, including the effect of the federal Affordable Care Act on the state uniform group insurance program

Minutes:

"Click to enter attachment information."

Chairman Kasper opened the meeting on HCR 3003. This is a mandatory study that has to do with the employer and employee contributions to the health plan. We have what is called a unitized rate for our health plan in the state of North Dakota. There is only one rate whether you are single, single plus dependent, or family. It was briefly explained how the unitized rate is figured. The unitized rate for 2005-07 was \$554 per month. It was \$982 in 2013-15, and is projected to be \$1,162 in the 2015-17 biennium. The state pays 100% of the premium. Comparing the state to the public sector, most employers do not pay 100% of the premium. If we adopt this study, the interim committee will look at the history of this plan, all the benefit packages that the state has, and will determine whether or not they might make a recommendation to have the employees pay part of the premium in the future. The Affordable Care Act will have to be considered. The Affordable Care Act says that if you change the employees' contribution to a health insurance plan by more than 5% annually, then you lose your grandfather status.

Rep. B. Koppelman made a motion for a DO PASS.

Rep. M. Johnson seconded the motion.

Rep. M. Johnson I have no envy whatsoever for the folks that have to study the ACA.

Rep. Seibel How much do these studies cost us?

Chairman Kasper It will just be an interim committee just like any other interim committee. The study does not allow them to hire any consultants. At this point there is no fiscal note on it.

Rep. Wallman Did we ever in the history of these interim studies add FTEs for that added amount of labor for the employees that would come and give testimony during these studies?

Chairman Kasper Our interim committees are staffed by Legislative Council attorneys. If the bill had required hiring consultants, etc. it would showed that and there would have been appropriations for it.

Rep. Wallman It is built into their job description and pay if they would come in with testimony.

Chairman Kasper Yes, sure.

Rep. Mooney Is there a budget amount that is allocated that legislative management can tap into if they deem it appropriate and within their prioritization?

Chairman Kasper Legislative management always has a budget for the interim. If the interim committee requests additional funding, I believe it is the legislative management chairman who makes the decision whether they are going to give it or not and they have a budget they can work from.

A roll call vote was taken. 13 Yeas, 1 Nay, 0 Absent.

Rep. Dockter will carry the bill.

Rep. Amerman I have seen resolutions on the consent calendar that were not unanimous.

Chairman Kasper That is correct. This could be on the consent calendar. I will ask Speaker Devlin if this would be one that we put on consent calendar, but Rep. Dockter be prepared.

Date: 1-30-15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 3003**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By B. Koppelman Seconded By M. Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper	X		Rep. Bill Amerman		X
Vice Chair Karen Rohr	X		Rep. Gail Mooney	X	
Rep. Jason Dockter	X		Rep. Mary Schneider	X	
Rep. Mary C. Johnson	X		Rep. Kris Wallman	X	
Rep. Karen Karls	X				
Rep. Ben Koppelman	X				
Rep. Vernon Laning	X				
Rep. Scott Louser	X				
Rep. Jay Seibel	X				
Rep. Vicky Steiner	X				

Total (Yes) 13 No 1
 Absent 0
 Floor Assignment Dockter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HCR 3003: Government and Veterans Affairs Committee (Rep. Kasper, Chairman)
recommends **DO PASS** (13 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING).
HCR 3003 was placed on the Eleventh order on the calendar.

2015 SENATE GOVERNMENT AND VETERANS AFFAIRS

HCR 3003

2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

HCR 3003
3/27/2015
Job # 25525

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A concurrent resolution directing the Legislative Management to study state contributions to state employee health insurance premiums, including the effect of the federal Affordable Care Act on the state uniform group insurance program.

Minutes:

No Attachments

Chairman Dever: Opened the hearing on HCR 3003.

Representative Delzer, District 8: Testified as chairman of interim committee and in support of the bill. One of our duties was to study health insurance. It was set up along the line of whether or not we should set up or limit what the state pays with the employees paying anything over that. There was a concern on how much the health insurance has gone up. Rates went up this year from \$981 to \$1162. I do believe the appropriation committees are going to take the \$30 that is the difference of the BCBS bid and the Sanford bid out of all of the bills. This resolution deals strictly with the health insurance side for state employees. The discussion we had in the Government Finance interim committee is basically that the health insurance is not settled totally yet. We don't know for sure what is going on. One of the issues that we did find out is that if we wanted to keep our grandfathering the only thing that we could do is 5% and it had to be based on the individual plan. Not the blended plan that we use for appropriating purposes; which would mean that if you were single, you could only have 5% of the single. There are a number of issues such as that and we felt that it needed to be looked at further and we would like for it to be studied. I think it is still a valid issue.

(3:25) Chairman Dever: So the conclusion of the committee was that it is an evolving situation that needs to be continued to look at.

Representative Delzer: That is what I meant to say in my roundabout way.

Senator Nelson: We have been discussing this every session that I have been here. Do you see a duplication of the effort?

Representative Delzer: Possibly so. This one does not say who should do it. The last one stipulated employee benefits. The problem with that is that you are very knowledgeable about it but there are several that are not. More exposure is not all bad.

Chairman Dever: No and generally the employee benefits committee does not generate bills. It considers bills proposed by others. In the HayGroup study this is the one issue that they suggested that the state should consider capping its liability.

Representative Delzer: It is an issue that has to be dealt with. It is not an easy political issue.

Chairman Dever: Closed the hearing on HCR 3003.

Senator Flakoll: Moved a Do Pass.

Senator Davison: Seconded.

A Roll Call Vote Was Taken: 7 yeas, 0 nays, 0 absent.

Motion Carried.

Senator Flakoll will carry the bill.

**2015 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 3003**

Senate Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Flakoll Seconded By Davison

Senators	Yes	No	Senators	Yes	No
Chairman Dever	✓		Senator Marcellais	✓	✓
Vice Chairman Poolman	✓		Senator Nelson	✓	
Senator Cook	✓				
Senator Davison	✓				
Senator Flakoll	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Flakoll

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HCR 3003: Government and Veterans Affairs Committee (Sen. Dever, Chairman)
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
HCR 3003 was placed on the Fourteenth order on the calendar.