

1 **JOINT RESOLUTION REGARDING PUBLIC EMPLOYEE**

2 **HEALTH PLAN**

3 2015 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: James A. Dunnigan**

6 Senate Sponsor: Ralph Okerlund

8 **LONG TITLE**

9 **General Description:**

10 This joint resolution of the Legislature directs the Public Employees' Benefit and
11 Insurance Program to adjust cost sharing and reserves for the 2015-2016 benefit year.

12 **Highlighted Provisions:**

13 This joint resolution:

- 14 ▶ instructs the Public Employees' Benefit and Insurance Program to adjust
- 15 out-of-pocket costs; and
- 16 ▶ instructs the Public Employees' Benefit and Insurance Program to transfer excess
- 17 reserves.

18 **Special Clauses:**

19 None

21 *Be it resolved by the Legislature of the state of Utah:*

22 WHEREAS, in accordance with Utah Code Section [49-20-201](#), the state participates in
23 the Public Employees' Benefit and Insurance Program;

24 WHEREAS, Utah Code Subsection [49-20-401\(1\)\(i\)](#) provides that the program
25 "maintain reserves sufficient to liquidate the unrevealed claims liability and other liabilities of
26 the employee benefit plans as certified by the program's consulting actuary";

27 WHEREAS, Utah Code Subsection [49-20-401\(1\)\(j\)](#) provides that the program "submit,
28 in advance, its recommended benefit adjustments for state employees to . . . the Legislature;
29 and . . . the executive director of the state Department of Human Resource Management";

30 WHEREAS, Utah Code Subsection 49-20-401(1)(l) provides that the program
31 "determine benefits and rates based on the total estimated costs and the employee premium
32 share established by the Legislature, upon approval of the board, for state employees";

33 WHEREAS, the federal Affordable Care Act requires health benefit plans to adopt a
34 total maximum out-of-pocket cap that does not exceed the highest deductible permitted for a
35 health savings account qualified plan;

36 WHEREAS, the state's traditional, non-health savings account qualified health benefits
37 plan has multiple, separate maximum out-of-pocket limits that, when combined, will exceed
38 the cap permitted under federal law at the state's next renewal; and

39 WHEREAS, the Public Employees' Benefit and Insurance Program's medical risk pool
40 for the state of Utah contains excess reserves:

41 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah
42 directs the Public Employees' Benefit and Insurance Program to modify the traditional health
43 benefit plan by merging all deductibles into a single medical deductible and all maximum
44 out-of-pockets into a single maximum out-of-pocket within 1% of the plan's current actuarial
45 value.

46 BE IT FURTHER RESOLVED that the Legislature directs the Public Employees'
47 Benefit and Insurance Program to transfer to the state and its employees based on relative
48 contribution shares \$19 million in excess reserves by July 1, 2015.