

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	HB3234
Version:	INT
Request Number:	9089
Author:	Moore
Date:	2/26/2018
Impact:	Increased Flexible Benefit Costs for State Agencies and School Districts

Research Analysis

HB 3234, as introduced, requires any HealthChoice plans offered to state employees under the Oklahoma Employees Insurance and Benefits Act to also be offered to Oklahoma residents. Eligibility requirements and coverage options are to be determined by the Oklahoma Employees Insurance and Benefits Board.

Prepared By: Sean Webster

Fiscal Analysis

Officials from the Office of Management and Enterprise Services - Employees Group Insurance Division (OMES-EGID) anticipate negative impact to HealthChoice premium rates as a result of HB 3234. OMES-EGID believes that allowing public access to HealthChoice plans will result in adverse selection of the plan by populations with higher risk profiles and higher healthcare consumption tendencies. Such adverse selections would require HealthChoice premium increases, and likely a need to modify HealthChoice plan design to increase cost responsibilities for enrollees, such as deductible amounts. Actuaries for OMES-EGID are unable to provide a specific premium increase estimate at this time.

Flexible benefits amounts for state employees and education employees are functions of the premium rates for HealthChoice. Increases in HealthChoice premium rates will result in higher benefit allowances for state employees and education employees, increasing employment costs for state agencies and school districts.

Prepared By: John McPhetridge

Other Considerations

None.