

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 480** SLS 18RS 472

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 15, 2018	7:49 PM	<b>Author:</b> JOHNS
<b>Dept./Agy.:</b> Office of Group Benefits		<b>Analyst:</b> Willis Brewer
<b>Subject:</b> Approval of insurance plans & contracts by oversight comm.		

Office of Group Benefits EG SEE FISC NOTE GF EX Page 1 of 1  
 Provides for approval from Senate Finance and House Appropriation committees for any changes to its benefits programs (life and health) or any contract (other than legal or actuarial services) that cost the State more than one million dollars. Proposed law requires any change to the life, health, and other benefit programs offered through OGB that would increase the cost to the state by one million dollars or more annually and any contract for professional, personal, or social services, other than a contract for legal or actuarial services, to be subject to review and final approval by the Senate Committee on Finance and the House Committee on Appropriations. Proposed law deletes present law that requires the implementation of programs or contracts offered through OGB to be adopted and implemented through the procedures set forth in the Administrative Procedure Act. Proposed law provides that notwithstanding present law, OGB is authorized to offer group insurance coverage to a certain group of dependents (the spouse and child of the enrollee) as defined by proposed law. Proposed law retains present law except that OGB is required to use official information provided by the OGB Estimating Conference as may be necessary only in the review (not approval) of benefit plans and proposed rate structures required by present law. Effective August 1, 2018.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	SEE BELOW					
Ded./Other	SEE BELOW					
Federal Funds	SEE BELOW					
Local Funds	SEE BELOW					
<b>Annual Total</b>						

  

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

The proposed law will have an indeterminable impact to the State and the Office of Group Benefits (OGB) since it will allow OGB to make changes to its insurance plans and contracts (other than legal and actuarial services) that otherwise would have required oversight committee approval. The proposed law will require OGB to receive approval from Senate Finance and House Appropriation committees for any changes to its benefits programs (life and health) or any contract (other than legal or actuarial services) that cost the State more than one million dollars. However, this measure will allow OGB to make changes which cost the state less than a million dollars internally, without approval of these committees. It cannot be determined whether OGB will implement a change greater than zero but less than a million dollars that otherwise would not have received approval by these oversight committees.

In addition, this measure codifies into law current OGB practices and removes from statute references to outdated statutory provisions.

**REVENUE EXPLANATION**

Proposed law will have an indeterminate impact on the Office of Group Benefits (OGB) revenues since it will allow OGB to make changes to its insurance plans that otherwise would have required oversight committee approval. It cannot be determined whether OGB will implement a change greater than zero but less than a million dollars that otherwise would not have received approval by these oversight committees.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  


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**Evan Brasseaux**  
**Staff Director**