



**Fiscal Estimate Narratives**

**ETF 7/18/2005**

|   |                                   |                               |
|---|-----------------------------------|-------------------------------|
| LRB Number <b>05-1722/1</b>                   | Introduction Number <b>AB-516</b> | Estimate Type <b>Original</b> |
| <b>Subject</b><br>Group Insurance Board study |                                   |                               |

**Assumptions Used in Arriving at Fiscal Estimate**

AB-516 would require the Group Insurance Board (GIB) to consult with representatives of group health insurance plans to determine the feasibility of developing a group health insurance plan with at least three cost levels and developing a low cost health insurance plan that provides coverage for catastrophic illness or injury. The bill would require the GIB to report its findings to the Governor and Legislature no later than July 1, 2007.

Utilization of approximately 160 hours of staff time in the Employee Benefit Plan and Policy Advisor classification series is assumed in the preparation of this estimate. In addition, it is anticipated that an outside consultant would be needed at a cost of under \$20,000.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

|  |  |                 |
|--|--|-----------------|
| <b>LRB Number</b> 05-1722/1  | <b>Introduction Number</b> AB-516              |                 |
| <b>Subject</b>   |  |                 |
| Group Insurance Board study  |  |                 |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  |  |                 |
| \$25,300 (\$5300 for salary and fringes of an Employee Benefit Plan Policy Advisor at \$23.50/hour for approximately 160 hours and \$20,000 for costs associated with an outside consulting firm). |  |                 |
| <b>II. Annualized Costs:</b>   | <b>Annualized Fiscal Impact on funds from:</b> |                 |
|  | Increased Costs                                | Decreased Costs |
| <b>A. State Costs by Category</b>  |  |                 |
| State Operations - Salaries and Fringes  | \$   |                 |
| (FTE Position Changes)   |  |                 |
| State Operations - Other Costs   |  |                 |
| Local Assistance   |  |                 |
| Aids to Individuals or Organizations   |  |                 |
| <b>TOTAL State Costs by Category</b>   | <b>\$</b>                                      | <b>\$</b>       |
| <b>B. State Costs by Source of Funds</b>   |  |                 |
| GPR  |  |                 |
| FED  |  |                 |
| PRO/PRS  |  |                 |
| SEG/SEG-S  |  |                 |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>   |  |                 |
|  | Increased Rev                                  | Decreased Rev   |
| GPR Taxes  | \$   | \$              |
| GPR Earned   |  |                 |
| FED  |  |                 |
| PRO/PRS  |  |                 |
| SEG/SEG-S  |  |                 |
| <b>TOTAL State Revenues</b>  | <b>\$</b>                                      | <b>\$</b>       |
| <b>NET ANNUALIZED FISCAL IMPACT</b>  |  |                 |
|  | State  | Local           |
| NET CHANGE IN COSTS  | \$   | \$              |
| NET CHANGE IN REVENUE  | \$   | \$              |
| <b>Agency/Prepared By</b>  |  |                 |
| <b>Authorized Signature</b>  |  |                 |
| <b>Date</b>  |  |                 |
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