

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

House Bill 599  
Appropriations

(Delegate Niemann)

Budget and Taxation

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State Employee and Retiree Health and Welfare Benefits Program - Employees  
of the Maryland Crime Victims' Resource Center - Participation

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This bill permits employees of the Maryland Crime Victims' Resource Center to participate in the State Employee and Retiree Health and Welfare Benefits Plan (State plan).

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Fiscal Summary

**State Effect:** State plan reimbursable revenues could increase beginning in FY 2006. Administering health benefits for Maryland Crime Victims' Resource Center employees could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:** Individuals eligible to enroll in the State plan include State employees, retirees, elected officials, registers of wills and their employees, clerks of the court and their employees, board of commission members, employees of political subdivisions that have chosen to participate in the State plan, and eligible dependents. Employees of non-State entities do not receive State subsidies and must pay any administrative costs associated with enrollment.

Certain not-for-profit organizations that receive State funds from the Department of Health and Mental Hygiene and the Legal Aid Bureau may also participate. They must

pay a premium as determined by the Department of Budget and Management (DBM) and any costs, as determined by DBM, for the administration of the program.

**Background:** The Maryland Crime Victims' Resource Center serves Maryland's victims of crime from two offices, in Prince George's County and in Baltimore City, and has diversified services that include criminal justice education, court accompaniment, therapeutic counseling, support groups, community education, prevention education, legal information and assistance, direct legal representation, policy advocacy, technical assistance for allied professionals and criminal justice agencies, and faith-based referrals.

**State Effect:** State Employee Health Benefits Plan reimbursable revenues could increase by a minimal amount if Maryland Crime Victims' Resource Center employees choose to participate in the State plan.

Currently, the State plan has 35 satellite accounts with about 1,500 satellite account members. Satellite account members are not part of the State's Central Payroll Bureau system, and therefore must be enrolled, billed, and tracked manually. Satellite organizations are required to pay the State plan a 2% administrative fee on premiums of participating employees. The Maryland Crime Victims' Resource Center has six full-time employees. To the extent that these employees choose to participate, State plan reimbursable funds would increase, beginning in fiscal 2006.

Administrative costs associated with processing Maryland Crime Victims' Resource Center employees as a satellite account could be handled with existing State plan resources.

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### **Additional Information**

**Prior Introductions:** A similar bill, SB 844 of 2002, permitted the Legal Aid Bureau to participate in the State plan. The bill passed (Chapter 191 of 2002), but had a termination date of September 30, 2004. Its termination date was repealed by Chapter 271 of 2004.

**Cross File:** None.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2005  
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