

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 350

(Chair, Appropriations Committee)

(By Request – Departmental – Budget and Management)

Appropriations

Finance

State Employees' Health Insurance Advisory Council - Repeal

This departmental bill repeals the State Employees' Health Insurance Advisory Council.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: None. Any expense reimbursements for council members that will no longer be paid are assumed to be negligible.

Local Effect: None

Small Business Effect: The Department of Budget and Management has determined that the bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: The State Employees' Health Insurance Advisory Council consists of 18 members, including the Secretary of Budget and Management and 17 members appointed by the Governor. Of those, 8 represent State employees, 6 represent Executive Branch agencies, 2 represent the Presiding Officers of the General Assembly, and 1 represents the public.

The Secretary of Budget and Management is responsible for developing and administering the State Employee and Retiree Health and Welfare Benefits Program. The council's purpose is to advise the Secretary on health insurance options and related benefits that should be included in the program. The council is supposed to meet quarterly, with staff support provided by the Department of Budget and Management. Council members are not compensated but are entitled to reimbursement for their expenses.

Background: The council predates the State's collective bargaining process, which obliges the Secretary to negotiate health plan benefits through collective bargaining. DBM advises that collective bargaining representatives for State employees have agreed that the council is now obsolete.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management, Department of Legislative Services

Fiscal Note History: First Reader - February 8, 2008
ncs/ljm

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