

SENATE JOINT RESOLUTION NO. 372

Establishing a joint subcommittee to study the feasibility of a statewide health insurance experience pool for educators and local government employees. Report.

Agreed to by the Senate, February 22, 2007

Agreed to by the House of Delegates, February 20, 2007

WHEREAS, the average cost of health insurance coverage for education employees over the past five years, from 2001 to 2006, has increased approximately 50 percent; and

WHEREAS, teachers in 2005-2006 paid out-of-pocket on average 14 percent of the cost for employee-only health care coverage, 44 percent of the cost for employee-and-spouse coverage, and over 50 percent of the cost for family coverage; and

WHEREAS, the state-estimated health care premium under the Standards of Quality funding formula is \$4,300 per funded instructional position for the 2006-2008 biennium; and

WHEREAS, the actual cost of health insurance coverage for the 2006-2008 biennium is estimated to be more than \$9,800; and

WHEREAS, the premium for Medicare Part B coverage has increased 77 percent over the past five years, from 2001 to 2006, and the average cost of Medigap medical insurance premiums has increased more than 45 percent in that same time period; and

WHEREAS, the maximum health care premium credit currently granted to Virginia's retired educators of \$900 per year, which is provided to those with 30 or more years of service, has not changed since July 1, 1999; and

WHEREAS, only 26 of the Commonwealth's 132 local school divisions participate in the State Local Choice Health Insurance Plan; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That a joint subcommittee be established to study the feasibility of a statewide health insurance experience pool for educators and local government employees. The joint subcommittee shall have a total membership of 12 members that shall consist of eight legislative members, three nonlegislative citizen members, and one ex officio member. Members shall be appointed as follows: three members of the Senate to be appointed by the Senate Committee on Rules; five members of the House of Delegates to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; one nonlegislative citizen member who is a public school teacher with significant experience in health insurance costs to be appointed by the Senate Committee on Rules; and two nonlegislative citizen members, one of whom is a division superintendent of schools and one of whom is a school business official, and both of whom have significant experience in health insurance costs, to be appointed by the Speaker of the House of Delegates. The Secretary of Administration or her designee shall serve ex officio with nonvoting privileges. Nonlegislative citizen members of the joint subcommittee shall be citizens of the Commonwealth of Virginia. Unless otherwise approved in writing by the chairman of the joint subcommittee and the respective Clerk, nonlegislative citizen members shall only be reimbursed for travel originating and ending within the Commonwealth of Virginia for the purpose of attending meetings. If a companion joint resolution of the other chamber is agreed to, written authorization of both Clerks shall be required. The joint subcommittee shall elect a chairman and vice chairman from among its membership, who shall be members of the General Assembly.

In conducting its study, the joint subcommittee shall review current health insurance coverage available for active and retired school employees and other local government employees, including state and local early retirees not eligible for Medicare.

Administrative staff support shall be provided by the Office of the Clerk of the Senate. Legal, research, policy analysis, and other services as requested by the joint subcommittee shall be provided by the Division of Legislative Services. Technical assistance shall be provided by the Department of Human Resource Management. All agencies of the Commonwealth shall provide assistance to the joint subcommittee for this study, upon request.

The joint subcommittee shall be limited to four meetings for the 2007 interim, and the direct costs of this study shall not exceed \$8,400 without approval as set out in this resolution. Approval for unbudgeted nonmember-related expenses shall require the written authorization of the chairman of the joint subcommittee and the respective Clerk. If a companion joint resolution of the other chamber is agreed to, written authorization of both Clerks shall be required.

No recommendation of the joint subcommittee shall be adopted if a majority of the Senate members or a majority of the House members appointed to the joint subcommittee (i) vote against the recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the

joint subcommittee.

The joint subcommittee shall complete its meetings by November 30, 2007, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2008 Regular Session of the General Assembly. The executive summary shall state whether the joint subcommittee intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a Senate or House document. The executive summary and the report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may approve or disapprove expenditures for this study, extend or delay the period for the conduct of the study, or authorize additional meetings during the 2007 interim.