

NOTICE OF INTENT
Office of the Governor
Division of Administration
Office of Group Benefits

Employee Benefits
(LAC 32:I.Chapters 3, 7, & 11)

In accordance with the applicable provisions of R.S. 49:950, et seq., the Administrative Procedure Act, and pursuant to the authority granted by R.S. 42:801(C) and 802(B)(1), vesting the Office of Group Benefits (OGB) with the responsibility for administration of the programs of benefits authorized and provided pursuant to Chapter 12 of Title 42 of the Louisiana Revised Statutes, and granting the power to adopt and promulgate rules with respect thereto, OGB finds that it is necessary to revise and amend several provisions of Title 32 in the Louisiana Administrative Code. This action will enhance member clarification and provide for the administration, operation, and management of health care benefits effectively for the program and member. Accordingly, OGB hereby gives Notice of Intent to adopt the following Rules to become effective January 1, 2016, unless promulgated thereafter, in which case they would become effective upon promulgation.

Title 32
EMPLOYEE BENEFITS
Part I. General Provisions

Chapter 3. Uniform
Provisions—Participation in the
Office of Group Benefits

§303. Enrollment Procedures for Participation in OGB Health Coverage and Life Insurance

A. – A.2. ...

3. The requesting agency shall obtain an experience rating from OGB.

a. The requesting agency shall submit claims experience under its prior plan for the 36 month period immediately prior to its application together with the required advance payment to cover the cost of for the experience rating.

A.3.b. – B. ...

C. Any state agency, school board, political subdivision, or other eligible entity that elects to participate in the OGB health program remains responsible for its own compliance

with enrollment and coverage requirements of the federal Patient Protection and Affordable Care Act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:338 (February 2015), effective March 1, 2015, amended LR41:

§305. Retiree Eligibility

A. For the purpose of determining eligibility to participate in OGB health coverage and life insurance, the term *retiree* shall refer only to an individual who was an enrollee immediately prior to the date of retirement and who, upon retirement, satisfied one of the following categories:

1. immediately received a retirement benefits plan distribution from an approved state or governmental agency defined benefit plan;

A.2. ...

3. immediately received a retirement benefits plan distribution from a state-approved or state governmental agency approved defined contribution plan and has accumulated the total number of years of creditable service which would have entitled him/her to receive a retirement ~~allowance plan distribution~~ from the defined benefit plan of the retirement system for which the employee would have otherwise been eligible. The appropriate state governmental agency or retirement system responsible for administration of the defined contribution plan is responsible for certification of eligibility to OGB.

B. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:338 (February 2015), effective March 1, 2015, amended LR41:

§307. Persons to be Covered

A. – A.1 ...

2. ~~Husband and Wife Covered Persons.~~ Covered Persons. Both Employees. No one may be enrolled simultaneously as an employee and as a dependent under an OGB plan, nor may a dependent be covered as a dependent of more than one employee. If a covered ~~spouse dependent~~ is eligible for coverage as an employee, he/she may and chooses to be covered separately at a later OGB designated enrollment period. Coverage shall be effective as directed by the OGB designated enrollment period. date, that person will be an enrollee effective the first day of the month after the election of separate coverage. The change in coverage will not increase the benefits.

3. – 3.d. ...

4. Effective Dates of Coverage, Existing Employee. Existing employees may only enroll in a plan during open enrollment or as otherwise specified by the OGB health plan document. Coverage for the employee will be effective on the first day of the new plan year or on the date set forth in the OGB health plan document.

EMPLOYEE BENEFITS

45. Re-Enrollment Previous Employment for Health Benefits and Life Insurance

a. An employee whose employment terminated while covered who is re-employed within 12 months of the date of termination will be considered a re-enrollment previous employment applicant. ~~A re-enrollment previous employment applicant will be eligible for only that classification of coverage (employee, employee and one dependent, employee and children, family) in force on the date of termination.~~

b. If an employee acquires an additional dependent during the period of termination, that dependent may be covered if added within 30 days of re-employment.

56. Members of Boards and Commissions. Except as otherwise provided by law, members of boards or commissions are not eligible for participation in an OGB plan of benefits. This section does not apply to members of school boards or members of state boards or commissions who are determined by the participating employer and in accordance with federal and state law to be full-time employees.

67. Legislative Assistants. Legislative assistants are eligible to participate in an OGB plan if they are determined to be full-time employees by the participating employer under applicable federal and state law or pursuant to R.S. 24:31.5(C), either:

a. receive at least 60 percent of the total compensation available to employ the legislative assistant if a legislator employs only one legislative assistant; or

b. is the *primary legislative assistant* as defined in R.S. 24:31.5(C) when a legislator employs more than one legislative assistant.

B. – B.1.b. ...

c. Coverage for re-employed retirees is governed by LAC 32:I.323B, Employer Responsibility.

2. Effective Date of Coverage

a. Retiree coverage will be effective on the first day of the month following the date of retirement if the retiree and participating employer have agreed to make and are making the required contributions. For purposes of eligibility, the date of retirement shall be the date the person is eligible to receive a retirement plan distribution. (for example, if ~~retired~~ date of retirement is July 15, retiree coverage will begin August 1; if date of retirement is August 1, retiree coverage will begin September 1).

C. Documented Dependent Coverage

1. Eligibility. A documented dependent, in the OGB Primary Plan document, of an eligible employee or retiree will be eligible for dependent coverage on the later of the following dates:

1.a.- 2.b. ...

D. Special Enrollments—HIPAA. Certain eligible persons ~~for whom the option to enroll for coverage was previously declined and who would be considered overdue~~

~~applicants~~—may enroll as provided for by HIPAA under circumstances, terms, and conditions for special enrollments.

E. ...

F. Medicare Advantage Option for Retirees (effective ~~July 1, 1999~~ January 1, 2016).

1. Retirees who are eligible to participate in an OGB sponsored Medicare Advantage plan who cancel participation in an OGB plan of benefits upon enrollment in an OGB sponsored Medicare Advantage plan may re-enroll in an OGB offered plan of benefits upon withdrawal from or termination of coverage in the Medicare Advantage plan at Medicare's open enrollment or OGB's open enrollment period.

2. Retirees who elect to participate in a Medicare Advantage plan not sponsored by OGB will not be allowed to re-enroll in a plan offered by OGB upon withdrawal from or termination of coverage in the Medicare Advantage plan.

G. – H. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:339 (February 2015), effective March 1, 2015, amended LR41:

§313. Enrollee Coverage Termination

A. An Enrollee may terminate coverage as set forth in the applicable OGB health plan document. Applications made by active enrollees shall be provided to their HR liaison and applications made by retired enrollees shall be provided to OGB.

B. An Enrollee may terminate coverage during an OGB designated enrollment period. Application is required to be made as directed for the OGB designated enrollment period.

C. Subject to continuation of coverage and COBRA rules, all benefits of an enrollee will terminate, without application, under plans offered by OGB on the earliest of the following dates:

C.1. – C.6. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:341 (February 2015), effective March 1, 2015, amended LR41:

§315. Dependent Coverage Termination

A. An Enrollee may terminate dependent coverage as set forth in the applicable OGB health plan document. Applications made by active enrollees shall be provided to their HR Liaison and applications made by retired enrollees shall be provided to OGB.

B. An Enrollee may terminate dependent coverage during an OGB designated enrollment period. Application is required to be made as directed for the OGB designated enrollment period.

C. Subject to continuation of coverage and COBRA rules, dependent coverage will terminate, without application, under

any OGB plan of benefits on the earliest of the following dates:

C.1. – C.2. ...

3. for grandchildren for whom the enrollee does not have court ordered legal custody or has not adopted, on the date the child's parent loses eligibility under ~~any~~ the respective OGB health plan or the grandchild no longer meets the definition of a child; or

C.4. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:341 (February 2015), effective March 1, 2015, amended LR41:

§317. **Change of Classification**

A. Adding or Deleting Dependents. When a dependent is added to ~~or deleted from~~ the enrollee's coverage due to a HIPAA Special Enrollment Event or deleted from the enrollee's coverage consistent with a change in the dependent's status, as set forth in the applicable OGB health plan document, applications made by ~~qualifying event, under applicable state or federal law,~~ active enrollees shall be provided to notify their HR liaison and applications made by retired enrollees shall be provided to notify OGB. ~~Notice shall~~ Application is required to be provided made within 30 days of the addition ~~or deletion event~~.

B. When a dependent is added to or deleted from the enrollee's coverage during an OGB designated enrollment period, application is required to be made as directed for the OGB designated enrollment period.

BC. Effective Date of Change in Coverage Classification

1. When adding a dependent due to a HIPAA Special Enrollment Event or deleting a dependent due to a change in the dependent's status results in a change in classification, there is a change in family status (e.g., marriage, birth of child) the change in classification will be effective on the date of the event. Application for adding or deleting a dependent ~~the change shall~~ is required to be made within 30 days of the date of the event.

2. When the addition or deletion of a dependent changes the classification of coverage, the ~~additional~~ new premium rate will be charged for the entire month if the date of ~~change~~ the HIPAA Special Enrollment Event or the date of the change in the dependent's status occurs before the fifteenth day of the month. If the date of ~~change~~ the HIPAA Special Enrollment Event or the date of the change in the dependent's status occurs on or after the fifteenth day of the month, ~~an additional premium will~~ the new premium rate will not be charged until the first day of the following month.

C. Notification of Change. It is the enrollee's responsibility to ~~provide notice of~~ make application for any change in classification of coverage that affects the enrollee's contribution amount.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:341 (February 2015), effective March 1, 2015, amended LR41:

§323. **Employer Responsibility**

A. It is the responsibility of the participating employer to submit timely enrollment and coverage changes using OGB's electronic enrollment system or other approved submission method, and to review and certify all ~~other~~ necessary documentation to OGB on behalf of its employees. Employees of a participating employer will not, by virtue of furnishing any documentation to OGB be considered agents of OGB, and no representation made by any participating employer at any time will change the provisions of an OGB plan of benefits.

B. – C. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:345 (February 2015), effective March 1, 2015.

Chapter 7. Election Rules and Regulations Group Benefits Policy and Planning Board

§701. **Group Benefits Policy and Planning Elected Board Member Seats**

~~Reserved.~~

A. Per La. R.S. 42:882, the Group Benefits Policy and Planning Board (OGB board) shall be composed of eleven voting members, with two members elected by retired participants of OGB plans of benefits, as follows:

1. One retiree member who shall be elected from among retired teachers or other school employees.
2. One retiree member who shall be elected from among retired state employees.

B. Elected members shall be confirmed by the Senate.

C. The chief executive officer shall certify election results to the Secretary of State and to the Senate for Confirmation.

D. Upon appointment or election, each member for an elected seat shall serve with authority to act until his/her term expires or until the Secretary of the Senate communicates that a member is rejected or not confirmed, whichever occurs first. Upon notice that a member for an elected seat is rejected or not confirmed, the respective member shall cease all member acts immediately.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:

§703. **Candidate Eligibility**

A. A candidate for a position on the ~~Group Benefits Policy and Planning Board~~ (OGB board) must be a participant in an OGB plan of benefits as of the specified election nomination date.

EMPLOYEE BENEFITS

B. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 6:200 (May 1980), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:347 (February 2015), effective March 1, 2015, amended LR41:

§705. Petitions for Candidacy

A. To become a candidate, a person must be nominated by petition of 25 or more OGB plan enrollees from the ~~ranks of the employees~~ constituency he/she will represent.

B. Each enrollee's signature must be accompanied by his/her printed name, the last four digits of their Social Security number, and the agency they are affiliated with.

C. Each petition for candidacy must be signed by the ~~appropriate OGB agency head~~ chief executive officer or his/her designated representative certifying that each candidate and each petitioner is a plan participant from the agency constituency he/she will represent, ~~and an active plan member~~ on the specified election nomination date.

D. Petitions for candidacy must be received by OGB on or before the date indicated on the ~~election~~ nomination materials.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 6:200 (May 1980), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:347 (February 2015), effective March 1, 2015, amended LR41:

§709. Balloting Procedure

A. All retired enrollees in an OGB plan of Benefits on the specified election date are eligible to vote.

B. Each eligible retired enrollee may cast only one vote for any candidate listed on the ballot for his respective retiree group.

C. Each eligible retired enrollee must follow the voting directions provided by OGB. In the event OGB contracts with an election vendor for a particular election, each eligible retired enrollee must follow the voting directions provided by OGB's election vendor for his/her vote to be counted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 6:200 (May 1980), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:347 (February 2015), effective March 1, 2015, amended LR41:

§713. Election Results

A. The chief executive officer will certify the election results to the ~~OGB board~~ Senate for confirmation.

B. The chief executive officer will notify the successful candidates of ~~their~~ his/her election.

C. The ~~OGB board~~ chief executive officer will announce the election results at the first regularly scheduled board meeting following the election.

D. The ~~OGB board~~ chief executive officer will certify the election results to the Secretary of State.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 6:200 (May 1980), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:348 (February 2015), effective March 1, 2015, amended LR41:

§715. Uniform Election Dates

A. For each election date, the following dates will apply:

1. On the ~~first Monday in March~~ second Wednesday in January, OGB submits nomination sheets to each agency benefits coordinator.

2. The ~~first Monday in April~~ second Wednesday in February is the nomination cutoff date. Nominees must be certified by ~~their agency~~ the OGB chief executive officer or his/her designee before nominations can be accepted by OGB.

3. On the ~~second Monday in April~~ third Wednesday in February, OGB will hold the drawing at its principal office to determine the position each candidate will have on the ballot. All candidates are invited to attend or send a representative.

4. Prior to the first ~~Monday in May~~ Wednesday in March, ballots will be sent to the proper authority for distribution.

5. The second ~~Monday in June~~ Wednesday in April is the deadline for OGB to receive completed ballots.

6. By the third ~~Monday in June~~ Wednesday in April, all completed ballots shall be counted.

7. By the first Wednesday in May, the chief executive officer shall certify the election results to the Senate for confirmation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 7:122 (March 1981), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:348 (February 2015), effective March 1, 2015, amended LR41:

§717. Petition Form
~~[Formerly §719]~~

A. Nominating Petition. Nominations will be submitted on a form substantially in compliance with the following.

We the undersigned OGB enrollees <u>are retired teachers or retired school employees/retired state employees</u> and hereby nominate _____ for membership on the Office of Group Benefits Policy and Planning Board.				
Signature	Social Security Number Printed Name	Last 4 of SSN	Agency	Date
1.				
2.				
3.				
4.				

5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
21.				
22.				
23.				
24.				
25.				

I hereby certify the persons signing this petition are retired teachers or other school employees/retired state employees and OGB retired enrollees as of the specified election nomination date.

Agency OGB Chief Personnel Executive Officer or his/her designated representative

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 7:50 (February 1981), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:348 (February 2015), effective March 1, 2015, amended LR41:

Chapter 11. Contributions

§1105. Penalty for Late Payment of Premiums

A. If any participating employer fails to remit, in full, both the employer and employee contributions to OGB within 30 days after receipt of the monthly invoice premium statement, then at the request of OGB, the state treasurer shall withhold from state funds due the participating employer the full amount of the delinquent employer and employee contributions. The participating employer shall also pay a penalty equal to 1 percent of the total amount due and unpaid, compounded monthly. The state treasurer shall remit this amount directly to OGB ~~the participating employer shall pay a penalty equal to 1 percent of the total amount due and unpaid, compounded monthly.~~

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:801(C) and 802(B)(1).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees, State Employees Group Benefits Program, LR 26:2788 (December 2000), amended by the Office of the Governor, Division of Administration, Office of Group Benefits, LR 41:349 (February 2015), effective March 1, 2015, amended LR41:

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this

Rule will have no net impact on family functioning, stability and autonomy as described in R.S. 49:972.

Poverty Impact Statement

Because the impact of the proposed action is based on the plan selected by each individual enrollee, the impact is indeterminable as to:

1. household income, assets, and financial security;
2. early childhood or educational development;
3. employment and workforce development;
4. taxes and tax credits; or
5. child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Small Business Statement

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed action is not expected to have a significant adverse impact on small businesses. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed Rule on small businesses.

Provider Impact Statement

The proposed Rule should not have any known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session. In particular, there should be no known or foreseeable effect on:

1. the effect on the staffing level requirements or qualifications required to provide the same level of service;
2. the total direct and indirect effect on the cost to the providers to provide the same level of service; or
3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Interested persons may submit written comments via the U.S. Mail until 4:30 p.m., September 10, 2015, to Susan T. West, Chief Executive Officer, Office of Group Benefits, P. O. Box 44036, Baton Rouge, LA 70804..

Public Hearing

A public hearing on this proposed Rule may be scheduled for September 28, 2015, at 10 a.m. in the Louisiana Purchase Room, located on the first floor of the Claiborne Building, located at 1201 N. Third Street, Baton Rouge LA 70802, if requested.

Susan T. West
 Chief Executive Office

EMPLOYEE BENEFITS

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Employee Benefits
(LAC 32:1.Chapters 3,7, & 11)**

**I. ESTIMATED IMPLEMENTATION COSTS
(SAVINGS) TO STATE OR LOCAL
GOVERNMENTAL UNITS (Summary)**

Due to the proposed administrative rule changes potentially resulting in both an indeterminable increase in state expenditures and an indeterminable decrease in state expenditures, the specific net governmental expenditure impact of the rule changes cannot be determined.

The Office of Group Benefits (OGB) proposes the removal of any reference to “husband and wife” to gender-neutral terms, due to the extension of group health and life insurance benefits to dependents of married same-sex enrollees. Such benefits were extended as a result of the U.S. Supreme Court ruling on Obergefell et al. v. Hodges, Director, Ohio Department of Health, et al., which ordered that all states must allow same-sex marriage. To the extent impacted state employees take advantage of this rule change; these individuals will likely be paying more in premium (enrollee+spouse or family) than the current plan choice. Due to the state (employer) paying a portion of the premiums, if state employees select this coverage type, state costs will increase by an indeterminable amount. In addition, the increase in the number of dependents covered by the plan could have a positive or negative actuarial impact depending upon the health conditions of the newly covered individuals. The cost impact to state or local government units associated with offering benefits to dependents of married same-sex enrollees is indeterminable, as the OGB is not able to accurately estimate how many members this change could impact.

The OGB proposes to change the rules governing the re-enrollment of persons previously enrolled in OGB-sponsored health and life plans who are re-employed within 12 months of their termination of prior employment and participation in an OGB-sponsored health and life plan. Current rules only allow such persons to reenroll in the coverage classification or tier (enrollee only, enrollee+children, enrollee+spouse, family) that was in force on the date of their termination. There may be instances where such a rule would cause participating employers to be out of compliance with the federal Patient Protection and Affordable Care Act (ACA), which could result in penalties being assessed to the employer. The cost savings (by means of penalty avoidance) to state or local

government units associated with this proposed administrative rule change is indeterminable, as the OGB is not able to accurately estimate how many members this could impact.

The OGB proposes ending the current practice of allowing enrolled Medicare-eligible retirees who terminate participation in OGB-sponsored group health plan in order to enroll and participate in a Medicare Advantage health plan not sponsored by OGB the ability to reenroll in an OGB-sponsored health plan, effective January 1, 2016. The proposed change will not affect those Medicare-eligible retirees who were previously or are still enrolled in an OGB-sponsored group health plan and have terminated or will terminate their participation prior to January 1, 2016. The cost savings to state or local government units associated with the proposed administrative rule change is indeterminable, as the OGB is not able to accurately estimate how many members this could ultimately impact.

The OGB proposes ending the current practice of extending health insurance coverage to the dependent children of dependent children of an enrollee, effective January 1, 2016. This proposed change will not affect those secondary dependents that are currently covered by OGB; they will maintain their coverage until such time as the primary dependent child of the enrollee is no longer eligible for coverage. The cost savings to state or local government units associated with this proposed administrative rule change is indeterminable, as OGB is not able to accurately estimate how many members this could ultimately impact.

Other proposed administrative rule changes include modifications to the Group Benefits Policy & Planning Board. Pursuant to Act 146 of 2015, the proposed rule change reduces the board composition from 16 members to 11 members with the Speaker of the House appointing 3 members, the President of the Senate appointing 3 members, the Governor appointing 3 members and 2 elected retiree members.

**II. ESTIMATED EFFECT ON REVENUE
COLLECTIONS OF STATE OR LOCAL
GOVERNMENTAL UNITS (Summary)**

The specific revenue impact to the OGB as a result of the proposed rule changes cannot be accurately determined, as it is dependent upon the choices of members (such as extending health coverage to married same-sex dependents) for which the population is not known. It is likely that the population of members who would be affected

by the proposed rule changes is small, and will not result in any substantial impact to the revenues of the agency.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

The cost or economic benefits to directly affected persons cannot be accurately determined, as each member's eligibility circumstances are unique. For example, if a member changes from enrollee only to enrollee + spouse based upon the gender-neutral rule change, that enrollee will be responsible for paying a higher premium (employee portion). In addition, retired enrollees who terminate participation in OGB-sponsored health plans in order to participate in non-sponsored Medicare Advantage plans will lose the benefit of having a portion of their premium paid

by their former employing state agency.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no measurable impact on competition and employment anticipated in association with these proposed administrative rule changes. The proposed rule changes are eligibility rule changes, and will not impact benefits offered, which are a significant component of the compensation package of state and certain local public sector employment. Individuals consider compensation packages across alternative private and public sector employment opportunities. For those who could be impacted in the future, these eligibility rule changes will make the compensation package less beneficial. The proposed rule changes may influence the decisions to seek and accept employment in both the public and private sectors.