

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 164** SLS 24RS 226

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 30, 2024	5:17 PM	<b>Author:</b> ABRAHAM
<b>Dept./Agy.:</b> Office of Group Benefits		<b>Analyst:</b> Garrett Ordner
<b>Subject:</b> Health Coverage for Surviving Spouses		

GROUP BENEFITS PROGRAM EG SEE FISC NOTE GF EX See Note Page 1 of 1  
Provides relative to Office of Group Benefits health coverage programs for certain employees. (gov sig)

Proposed law provides that any person who previously participated in health coverage programs sponsored by the Office of Group Benefits (OGB) as a dependent spouse of a deceased retiree immediately prior to enrolling in OGB coverage as an active employee, shall, upon termination from state service, be eligible to obtain OGB health coverage as a surviving spouse provided that person (1) is enrolled in OGB health coverage as an active employee as of July 1, 2024; (2) remains enrolled in OGB health coverage continuously until immediately prior to the date of termination; (3) would have had surviving spouse coverage at the time of death of the retiree spouse but for his or her eligibility for coverage in a group plan other than Medicare; (4) pays the requisite premiums; and (5) complies with any other applicable OGB rules. Proposed law provides that any person eligible for coverage under proposed law is entitled to receive, in state contribution to premiums, the percentage of the total premium as provided for in applicable OGB rules. Proposed law provides that employer contributions are the responsibility of the deceased retiree's employing school board, state agency, or subdivision. Proposed law provides that dependent children of a person eligible for coverage as a surviving spouse under proposed law may continue coverage in accordance with applicable OGB rules.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed law may result in an indeterminable, yet minimal, net increase in expenditures to state employers as the result of surviving spouses of deceased retirees who obtain health coverage under the proposed measure. The increase in benefits costs paid by the employing agency will depend upon the deceased retiree's years of participation in an OGB health plan, the surviving spouse's choice of health plan, the surviving spouse's coverage level, and the surviving spouse's Medicare status. If the deceased retiree had more years of participation in an OGB health plan, this increase will be partially offset by the decrease in benefits costs that would have been paid by the employing agency of the surviving spouse. OGB reports that due to the small number of enrollees who may benefit from the proposed law, it will make any required changes in eligibility manually and will not require additional coding from the eligibility system vendor.

OGB reports that up to 18 health plan members may be eligible to obtain surviving spouse status upon termination from state service under the proposed law.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Patrice Thomas**  
**Deputy Fiscal Officer**