Bill as Introduced

2003 SESSION

03-0690
01/09

HOUSE BILL ***679-FN***

AN ACT relative to medical savings accounts.

SPONSORS: Rep. Wendelboe, Belk 29; Rep. Bicknell, Rock 73; Rep. Scott, Straf 71

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill requires the commissioner of the department administrative services to contract with a suitable company or suitable companies to provide medical savings accounts to state employees as an option to the traditional state employees group health insurance.

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 679-FN – AS INTRODUCED

03-0690
01/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Three

AN ACT relative to medical savings accounts.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Subdivision; Medical Savings Accounts. Amend RSA 21-I by inserting after section 36-a the following new subdivision:

Medical Savings Accounts

21-I:36-b Medical Savings Accounts Program Established. The commissioner of administrative services shall establish a medical savings accounts program as an option for state employees in place of the traditional state employees health insurance program. The commissioner is hereby authorized to enter into a contract or contracts with a suitable or suitable companies necessary to implement such program. County employees and school employees may also elect to participate in the medical savings accounts program. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to the implementation of the program.

2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
03-0690
1/28/03

HB 679-FN - FISCAL NOTE

AN ACT relative to medical savings accounts.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

LBAO
03-0690
Revised 2/18/03

HB 679 FISCAL NOTE

AN ACT relative to medical savings accounts.

FISCAL IMPACT:

The Department of Administrative Services and Association of Counties states this bill could decrease state, county, and local expenditures by an indeterminable amount in FY 2003 and each year thereafter. This bill will have no fiscal impact on state, county, and local revenue.

METHODOLOGY:

The Department of Administrative Services states that if Medical Savings Accounts (MSA) were available to state employees, and to county and school district employees, there would be some savings to state, county, and local government by virtue of reduced costs for health insurance. Savings would be determined by the amount of the deductible of the plan associated with the MSA, and the number of employees opting for the MSA. The Department cannot determine the exact fiscal impact at this time.

The Association of Counties states that in the event the MSA program would offer a program with cost savings to counties, they would opt in. However, the Association states the exact savings cannot be determined at this time.

The New Hampshire Municipal Association states this bill does not allow municipal employees to participate in an MSA program developed by the Department of Administrative Services, and as a result will have no fiscal impact on municipal government.

Hearing Minutes

HOUSE COMMITTEE ON EXECUTIVE DEPARTMENTS AND ADMINISTRATION

PUBLIC HEARING ON HB 679-FN

BILL TITLE: relative to medical savings accounts

DATE: February 10, 2003

LOB ROOM: 100 SH **Time Public Hearing Called to Order:** 11:15 AM

Time Adjourned: 12:10 PM

(please circle if present)

Committee Members: Reps. O'Neil, Hamel, Langer, Goulet, Zolla, N. Allan, Dexter, Hall, C. Robertson, Bergin, LaFlamme, Milligan, W. Field, Fitzgerald, Maybeck, Clayton, Schulze, DeJoie, Irwin, Pilotte and F. Sullivan.

Bill Sponsors: Rep. Wendelboe, Belk 29; Rep. Bicknell, Rock 73; Rep. Scott, Straf 71

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Wendelboe, sponsor. Supports bill. This offers a medical savings account for employees. Build up an account; have any doctor; write a check for cost. State may provide a catastrophic policy. Have a good year, you can roll it over and leave a pool to begin next. Year. Can include municipal employees. Effect on HMO's – drive up cost? Can be used to purchase long term care insurance.
Gov. Benson, supports bill. Gives employees an option, which suits them. Controlled regular time to make changes in the employee's program. You would not be expected to return any funds you build up over the year before you changed back.
Denis Parker, representing SEA, no indication of support or opposition. Does have some issues that should be considered. Maybe good for some employees, not all.

Disposition: Committee as a whole

Respectfully submitted,

Ray L Langer

Rep. Ray Langer, Clerk

Voting Sheets

HOUSE COMMITTEE ON EXECUTIVE DEPARTMENTS AND ADMINISTRATION

EXECUTIVE SESSION on HB 679-FN

BILL TITLE: **relative to medical savings accounts**

DATE: March 4, 2003

LOB ROOM: 100 SH

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. DeJoie

Seconded by Rep. Goulet

Vote: 15-3 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 18-3

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Ray F. Langer, Clerk

OFFICE OF THE HOUSE CLERK 2003 SESSION

EXECUTIVE DEPARTMENTS AND ADMINISTRATION

Bill #: HB679 **Title:**

PH Date: / / Exec Session Date: 3 / 4 / 03

Motion: ITL Amendment #:

MEMBER	YEAS	NAYS
O'Neil. Michael. Chairman	15	
Hamel. Albert W. V Chairman	1	
Langer. Rav F	2	
Goulet. Maurice E		
Zolla. William R	3	
Allan. Nelson S		1
Dexter. Judson K	4	
Hall. Charles Q	5	
Robertson. Carl G	6	
Bergin. Peter F		
LaFlamme. Paul G	7	
Milligan. Robert H	8	
Field. William D		
Fitzgerald. James M		2
Maybeck. Margie		3
Clayton. William K	9	
Schulze. Joan H	10	
DeJoie. John	11	
Irwin. Anne-Marie	12	
Pilotte. Maurice L	13	
Sullivan. Francis B	14	
	15-3	

TOTAL VOTE:
Printed: 1/6/2003

Committee Report

COMMITTEE REPORT

COMMITTEE: **Executive Departments and Administration**

BILL NUMBER: **HB679-FN**

TITLE: relative to medical savings accounts.

DATE: March 5, 2003 CONSENT CALENDAR YES ☒ NO ☐

☐ OUGHT TO PASS

☐ OUGHT TO PASS WITH AMENDMENT

☒ INEXPEDIENT TO LEGISLATE

☐ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

HB 679-FN would amend RSA 21-I by "requiring the commissioner of administrative services to establish medical savings accounts as an option to traditional state employees health insurance". The committee reviewed this bill and found that there were numerous technical concerns with the bill. The sponsor spoke eloquently of an alternative health plan that would offer employees an option over existing plans while insuring catastrophic coverage. However, the bill does not address any structural, programmatic or coverage aspects. Finally, health care is a permissible subject of collective bargaining. Since the SEA is currently negotiating, the committee believes this type of health coverage should be addressed through collective bargaining rather than statute.

Vote 15-3.

Rep. John DeJoie
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

CONSENT CALENDAR

Executive Departments and Administration

HB679-FN, relative to medical savings accounts. **INEXPEDIENT TO LEGISLATE**

Rep. John DeJoie for Executive Departments and Administration: HB 679-FN would amend RSA 21-I by "requiring the commissioner of administrative services to establish medical savings accounts as an option to traditional state employees health insurance". The committee reviewed this bill and found that there were numerous technical concerns with the bill. The sponsor spoke eloquently of an alternative health plan that would offer employees an option over existing plans while insuring catastrophic coverage. However, the bill does not address any structural, programmatic or coverage aspects. Finally, health care is a permissible subject of collective bargaining. Since the SEA is currently negotiating, the committee believes this type of health coverage should be addressed through collective bargaining rather than statute **Vote 15-3.**

COMMITTEE REPORT

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BILL NUMBER: **HB679-FN**

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Rep. John DeJoie
FOR THE COMMITTEE

Original: House Clerk
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BILL NUMBER: **HB679-FN**

TITLE: relative to medical savings accounts.

DATE: March 5, 2003 CONSENT CALENDAR YES ☒ NO ☐

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☐ OUGHT TO PASS WITH AMENDMENT

☒ INEXPEDIENT TO LEGISLATE

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(Available only in second year of biennium.)

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(Include Committee Vote)

HB 679-FN would amend RSA 21-I by "requiring the commissioner of administrative services to establish medical savings accounts as an option to traditional state employees health insurance". The committee reviewed this bill and found that there were numerous technical concerns with the bill. The sponsor spoke eloquently of an alternative health plan that would offer employees an option over existing plans while insuring catastrophic coverage. However, the bill does not address any structural, programmatic or coverage aspects. Rather, the bill divests authority for all programmatic decisions to the commissioner of administrative services without any clear legislative intent. The rule making authority is far too broad to provide any meaningful legislative intent. Finally, health care is a permissible subject of collective bargaining. Since the SEA is currently negotiating, the committee believes this type of health coverage should be addressed through collective bargaining rather than statute.

Vote 15-3.

Rep. John DeJoie
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

HB 679 ITL

Joan — not the bad, see my comments MEG

HB 679 FN would amend RSA 21-I by "requiring the commissioner of administrative services to establish medical savings accounts as ~~an option to in place of~~ traditional State employees health insurance ..." ~~(SEE IT AS A REVISION)~~ ~~U.S. States~~ "to offer"

The committee reviewed this bill and found that there were numerous ~~places in the bill~~ issues including technical issues as well as policy concerns with the bill.

The sponsor spoke eloquently of an alternative health plan that would offer employees an option over existing plans while insuring catastrophic coverage. However, the bill does not address any structural, programatic or coverage aspects. Rather, the bill directs authority for all programmatic decisions to the Comm. of Admin, without any clear legislative intent. The rule making authority is far too ~~broad to provide~~ any meaningful legislative ~~input~~. INTENT

~~There was also a concern among the committee regarding the policy statement made by the bill.~~ ~~We are encouraging people to manage their~~ health care in such a way, that they retain →

this could open a can of worms that we don't want opened

(2)

money in their accounts at years end, that they may then retain. While this initially appears logical, the committee is concerned that the underlying message may lead to underutilization of needed healthcare services by employees, in an attempt to retain the health care dollars. First and foremost, our concern as employers should be the overall health of our employees. The committee remains concerned that this bill may inadvertently undermine this goal.

Finally, health care is a permissible subject of collective bargaining. Since the SEA is currently negotiating, the committee believes this type of health coverage should be ~~discussed~~ addressed through collective bargaining, rather than statute.