A RESOLUTION
SHBP State Employees Plan Employer Contribution Rates

WHEREAS, the State Health Benefit Plan is comprised of three health insurance plans, each supported by its own fund: 1) a plan for State employees (the "State Employees Plan") (O.C.G.A. §§ 45-18-2 and 45-18-12), 2) a plan for teachers (the "Teachers Plan") (O.C.G.A. §§ 20-2-881 and 20-2-891), and 3) a plan for public school employees who are not eligible for the plan for teachers (the "Public School Employee Plan") (O.C.G.A. §§ 20-2-911 and 20-2-918); and

WHEREAS, pursuant to O.C.G.A. §§ 20-2-891(c), 20-2-918(b) and 45-18-12(b) the Commissioner of the Department of Community Health is permitted to combine the three funds supporting the three plans (together, the "State Health Benefit Plan" or "SHBP") in order to pay benefits due under any of the plans; and

WHEREAS, SHBP Regulation § 111-4-1-.02(1)(d) provides that "the Board shall establish by Resolution, subject to the Governor's approval, Employer Contribution Rates. These rates may be a dollar amount for each Member, a dollar amount for each Enrolled Member, a percentage of Member salary or any other method permitted by law;" and

WHEREAS, the Appropriations Act for Fiscal Year 2017 sets forth a continuation of the employer contributions as 30.454% of total salaries for State Employees during Fiscal Year 2017; and

WHEREAS, the Board and the Governor wish to continue the annualized State Employees Plan Employer Contribution Rate as 30.454% of total salaries for Fiscal Year 2017 and continuing until changed by Board resolution; and

WHEREAS, in order to support the financial stability of the SHBP, it is necessary and appropriate for the Commissioner and the State Office of Planning and Budget to be able to adjust monthly State Employees Plan Contribution Rates; and

WHEREAS, the Board desires to authorize the Commissioner to set monthly rates that differ from 30.454% of total salaries, so long as the annualized contribution for Fiscal Year 2017 is 30.454% of total salaries and satisfies the intent of the Appropriations Act of Fiscal Year 2017; and

WHEREAS, the Commissioner is required to provide advance notice of any rate changes that occur during the Fiscal Year to impacted employers;

NOW, THEREFORE, LET IT BE ORDERED THAT, the annualized State Employees Plan Employer Contribution Rate for Fiscal Year 2017 is hereby set at 30.454% of total salaries and continuing until changed by Board resolution; and

NOW, THEREFORE, LET IT BE ORDERED THAT the monthly State Employees Plan Employer Contribution rates for Fiscal Year 2017 shall be set on a periodic basis by the Commissioner, at the percentage of total salaries necessary to achieve an annualized contribution of 30.454% of total salaries and fulfill the intent of the Appropriations Act of 2017; and

NOW, THEREFORE, LET IT BE ORDERED THAT the Commissioner take all actions necessary to ensure that employers required to pay the State Employees Plan Employer contributions receive proper and timely notification of all required contribution rates.

Resolved this 11th day of August, 2016, in public session.

Roger L. Folsom
Vice Chairman

Donna Thomas Moses
Secretary