



## OFFICE OF PLANNING AND BUDGET

Sonny Perdue  
Governor

Trey Childress  
Director

May 5, 2009

### MEMORANDUM

TO: Agency Heads

FROM: Dr. Rhonda Medows, Commissioner   
Department of Community Health

Trey Childress, Director   
Office of Planning and Budget

SUBJECT: State Health Benefit Plan Billing Change

We have an announcement regarding changes to your employer contribution to the State Health Benefit Plan (SHBP). Your December 2009 bills for payment in January 2010 will reflect a new direct billing methodology. This new methodology for SHBP employer contributions is a Governor's directive.

Currently, state agencies/authorities pay a percentage of payroll for all SHBP-eligible employees. School personnel pay either a flat Per Member Per Month fee or a percentage of state-based salaries for SHBP-eligible employees. Under the direct billing system, your agency will pay a fixed premium for each SHBP-enrolled employee that will differ based on the employees' plan option and tier selection.

The SHBP has already engaged payroll contacts to educate them on the change and what the new bills will look like and reflect, as the original planned date for this change was July 2009. This outreach and education will continue up to and post-implementation.

OPB will be working closely with your budget staff to ensure that funding to support direct bill payments to the SHBP is reflected in your Amended 2010 and Fiscal Year 2011 budgets by program.

Please work with SHBP and OPB to make this a successful and smooth transition. Do not hesitate to call on SHBP and your OPB analyst with questions. For SHBP, please call or email Bill Tierney at (404) 651-6140, [btierney@dch.ga.gov](mailto:btierney@dch.ga.gov) with business or operational questions or Deborah Sheppard, (404) 463-0212, [dsheppard@dch.ga.gov](mailto:dsheppard@dch.ga.gov) with technical questions.

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c: Bill Tierney, Department of Community Health  
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