

A RESOLUTION

SHBP Revised State Employees Plan Employer Contribution Rates for Fiscal Year 2013;

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 (O.C.G.A. §45-18-2), 2) a plan for teachers (O.C.G.A. §20-2-891), and 3) a plan for non-certificated public school employees (O.C.G.A. §20-2-91 1); and

WHEREAS, pursuant to O.C.G.A. §20-2-891 (c), 20-2-91 8(b) and 45-1 8-12(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, O.C.G.A. §45-18-14 provides for the Board of Community Health (the "Board") and the Governor to establish the rate that each department, board and agency of the executive and judicial branches of state government shall contribute to the health insurance fund for State employees as their portion of the cost of benefits payable under that plan (the "State Employees Plan Employer Contribution Rate"); and

WHEREAS, the Board authorized the Commissioner to set monthly State Employees Plan Employer Contribution Rates in Fiscal Year 2013, as long as the annualized rate did not exceed 29.781% of total salaries as intended in the Appropriations Act of Fiscal Year 2013; and

WHEREAS, the Governor has recommended that the Amended Appropriations Act of Fiscal Year 2013 include an increase to the State Employees Plan Employer Contribution Rate to 30.281% of total salaries for the last six months of FY 2013; and

WHEREAS, the Board and the Governor wish to establish an increased State Employees Plan Employer Contribution Rate of 30.281% of total salaries for the last six months in FY 2013; and

WHEREAS, the State Employees Plan Employer Contribution Rate was set at 35% of total salaries for July 2012 to December 2012 and 24.454% of total salaries for January 2013 to June 2013 to support the ongoing financial stability of the SHBP and generate contributions no greater than the maximum employer contributions to the plan established by the Appropriations Act of Fiscal Year 2013; and

WHEREAS, based on current projections, a State Employee Plan Employer Contribution Rate of 25.366% of total salaries, starting with March 2013 billings will generate employer contributions no greater than those recommended by the Governor to be included in the Amended Appropriations Act of Fiscal Year 2013, as illustrated in Attachment A; and

WHEREAS, the Board recognizes that projections may change and desires to authorize the Commissioner to set monthly rates that differ from 25.366% of total salaries for the remainder of Fiscal Year 2013, so long as the contribution for the last six months of Fiscal Year 2013 does not exceed 30.281% of total salaries and satisfies the intent of the Amended Appropriations Act of Fiscal Year 2013; and

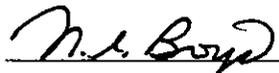
WHEREAS, the Commissioner is required to provide advance notice of any rate changes that occur during the Fiscal Year to impacted employers;

NOW, THEREFORE, LET IT BE ORDERED THAT the State Employee Plan Employer Contribution Rate shall be increased to 25.366% of total salaries for billings for March through June of 2013; and

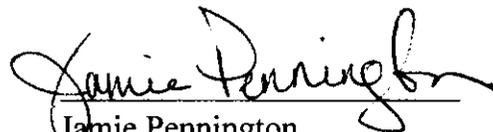
NOW, THEREFORE, LET IT BE ORDERED THAT these monthly State Employees Plan Employer Contribution Rates for the remainder of Fiscal Year 2013 may be altered by the Commissioner as needed, so long as the percentage of total salaries necessary to achieve a contribution for the last six months of Fiscal Year 2013 does not exceed 30.281% of total salaries; and

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

Resolved this 14th day of February, 2013, in public session.



Norm Boyd
Chairman



Jamie Pennington
Secretary

ATTACHMENT A

	FY 2013 Appropriations Act	Rates Established by DCH Commissioner pursuant to April 12, 2012 Board Resolution	AFY 2013 Governor's Budget Recommendation	February 14, 2013 Board Resolution
Jul 2012	29.781%	35.000%	29.781%	35.000%
Aug 2012	29.781%	35.000%	29.781%	35.000%
Sep 2012	29.781%	35.000%	29.781%	35.000%
Oct 2012	29.781%	35.000%	29.781%	35.000%
Nov 2012	29.781%	35.000%	29.781%	35.000%
Dec 2012	29.781%	35.000%	29.781%	35.000%
Jan 2013	29.781%	24.454%	30.281%	24.454%
Feb 2013	29.781%	24.454%	30.281%	24.454%
Mar 2013	29.781%	24.454%	30.281%	25.366%
Apr 2013	29.781%	24.454%	30.281%	25.366%
May 2013	29.781%	24.454%	30.281%	25.366%
Jun 2013	29.781%	24.454%	30.281%	25.366%
Rate for First 6 Months	29.781%	35.000%	29.781%	--
Rate for Last 6 Months	29.781%	24.454%	30.281%	--
Effective Annual Rate	29.781%	29.781%	30.031%	30.031%