

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**Revision 2**

**March 12, 2003**

**TO:** Honorable Dianne White Delisi, Chair, House Committee on State Health Care Expenditures, Select

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB725** by Haggerty (Relating to the participation of community supervision and corrections department employees, retired employees, and dependents of employees and retired employees in the group benefits program for state employees.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

**Local Government Impact**

The bill requires community supervision and corrections departments (CSCDs) to participate in the state's uniform group insurance program (UGIP). The CSCDs would be responsible for paying 100 percent of the premium for an employee's basic coverage, and based on current policy, 50 percent of the cost of dependent coverage. According to the Texas Department of Criminal Justice, there are approximately 6,400 full-time CSCD employees and 301 part-time CSCD employees in the state's 121 CSCDs. CSCD employees obtain health benefits and other types of coverage from the Texas Association of Counties or through the individual county plans.

The monthly state contribution for employees and retirees enrolled in the UGIP currently averages \$393 per month. This average is based on the current enrollment in plans available through the UGIP, and the current mix of active employees, dependents, and retirees. Based on the UGIP average monthly cost and the estimated number of active employees, the cost to the CSCDs of UGIP enrollment would be approximately \$31.6 million per year. CSCDs that are paying higher costs for insurance than what the costs would be under the state's UGIP would experience a savings. The amount of the savings would vary by department, depending on what their existing costs would be in comparison to what the costs for UGIP would be. For example, Williamson County currently pays a monthly premium of \$450 for employee-only coverage. Based on the comparison to UGIP, Williamson County would experience a savings.

**Source Agencies:** 304 Comptroller Of Public Accounts, 327 Employees Retirement System, 696 Department Of Criminal Justice

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