

H.B. 419, Insurance Coverage for Volunteer Emergency Medical Service Personnel (Lund, S.)

**Anticipated Fiscal Impact: \$2,856,171 for Health
Coverage and Administrative Costs for Anticipated
Participation of 258 Volunteers and Eligible
Dependents**

Summary

HB 419 establishes a state EMS Program for providing health insurance coverage to volunteer emergency medical service personnel who serve for public entities located in counties of the 3rd through 6th Class.

The EMS Program is established within the State's Emergency Medical Systems Department, is administered by a local government association, and is authorized to use PEHP to provide health insurance coverage.

It is contemplated that:

- (1) The local government association will determine which volunteers are eligible for health insurance coverage under the EMS Program based on rules adopted by the State's Emergency Medical Services Department;
- (2) The local government association will forward names of eligible volunteers to PEHP for coverage; and
- (3) PEHP will bill the state for the cost of that coverage using the same process it uses for state employees. However, these funds will be deposited into the insurance pool for local government entities for medical expenses rather than the state health insurance pool.

Further, it is anticipated that the EMS Program will offer PEHP’s “LGRP Traditional Option 5 Plan” with the Program paying 100% of premium for eligible volunteers and 75% of premium for eligible dependents.

The monthly premium cost for the program for FY 2021-22, inclusive of coverage and administrative fees other than the State EMS Department, would be:

Single: \$604.50
 Double: \$910.88
 Family: \$1208.47

The monthly premium cost for volunteers for FY 2021-22, inclusive of coverage and administrative fees other than the State EMS Department, would be:

Single: \$0
 Double: \$303.63
 Family \$402.82

Approximately 860 volunteers would qualify for the EMS Program. Of those, we estimate about 30% would participate in the Program since only volunteers without other available medical coverage are eligible for the Program.

Of the 258 volunteers, we would expect that about:

	Number	Monthly Program Cost	Total Annual Cost
Single	98	\$59,241	\$710,892
Double	49	\$44,633.12	\$535,597.44
Family	111	\$134,140.17	\$1,609,682.04

Accordingly, the estimated first year cost of the EMS Program for the state would be \$2,856,171.

It is impossible to know the risk profile of would-be participants for the first year of the Program. The figures above assume a risk profile equivalent to that of the state risk pool. Should the risk profile be worse than expected, any unexpended appropriation for the Program should be used to cover the loss. Another source could include excess reserves in the State Health Insurance Risk Pool.