
Detailed Fiscal Analysis

This bill creates a task force to study consumer access to preferred provider plans and other open panel plans for health coverage. The fourteen-member task force is charged with conducting a thorough study of consumer access to specific health insurance plans. Task force membership will include: three members of the House, three members of the Senate (including the House and Senate Health Committee chairpersons), the Superintendent of Insurance, two representatives of health care providers, two representatives of health insuring corporations, one representative of an employer employing fewer than twenty-five employees, one representative of an employer that employs twenty-five or more employees, and two representatives of consumers. The Task Force will submit its report on December 31, 1999 and will presumably cease to exist at that time. The members of this task force will receive no compensation for their time, but will be reimbursed for travel, parking, lodging, and meal expenses.

Task Force Costs

Establishment of the fourteen-member committee described in this bill is expected to result in a minimal increase of expenditures to the GRF. Among the foreseeable costs of establishing this task force are travel, parking, lodging, and meals. The House, the Senate, or the Legislative Service Commission may provide the reimbursement for such costs. The chairperson of the Legislative Service Commission will determine whether House or Senate reimbursement rules will be followed. It is assumed that the Department of Insurance will reimburse the Superintendent for his costs.

According to both House and Senate rules, travel is reimbursed at \$.27 per mile. For the House, in-state lodging is reimbursable up to \$60, while the Senate may be reimbursed for "reasonable" lodging expenses. For House members, the maximum meal reimbursement is \$25 per day, while the maximum allowance for Senate members is \$40 per day. Any meal reimbursement requires an overnight stay.

It is assumed that the other non-legislative members of the Task Force would be reimbursed in the same fashion. These costs will vary based on how often and where the Task Force meets. A spokesperson for the Legislative Service Commission estimated similar task forces have met 6-8 times over a one-year period. LBO assumes the Task Force will meet 4 times between the time that the bill is enacted and the report deadline of December 31, 1999. The bill includes an emergency clause and will take immediate effect; LBO assumes the Task Force will not meet until FY 2000 (beginning July 1, 1999). The table below shows estimated costs for reimbursing travel, parking, lodging, and meals, assuming 4 meetings.

Reimbursables	# of Meetings	Reimbursement Rate	Estimated Reimbursement
Mileage (200 miles)	4	\$0.27/mile	\$216
Parking	4	\$10/day	\$40
Lodging	4	\$60/night	\$240
Meals	4	\$25-\$40/day	\$100-\$160
TOTAL PER PERSON			\$596-\$656

Assuming all 14 members are reimbursed at \$596-\$656 for four meetings, the total cost of reimbursement would be \$8,300 to \$9,200. However, this estimate is probably high as some of the meetings may be held in Columbus. In which case, some of the members would not incur any reimbursable costs, because they live in Columbus or would already be in Columbus for other business (i.e., legislative members attending committee meetings or session).

The bill requires the Task Force to conduct a study of consumer access to a variety of insurance plans and to submit a report of its findings. In addition, the bill requires the Department of Insurance and the Legislative Service Commission to provide staff support for the Task Force. Providing such support would result in a minimal cost increase for these agencies. However, the bill does not make additional appropriations to these agencies for this purpose. Therefore, it is assumed the agencies will absorb these costs. The Department of Insurance is funded out of the State Special Revenue Fund, while the Legislative Service Commission is primarily funded out of the General Revenue Fund.

The bill is silent on whether the Task Force may enter into contracts with outside entities in order to complete the study, should they require additional services. However, the bill grants the Task Force authority to incur expenses necessary to accomplishing its duties. The use of additional staff or contracting with outside entities could result in additional expenditures to the GRF in the thousands of dollars, depending upon the extent and duration of their involvement.

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