

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2455
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: APRIL 12, 2018

SUMMARY

Synopsis: Transfers county college employees and retirees from membership in the SEHBP to membership in the SHBP.

Type of Impact: Expenditure reduction in county college funds.

Agencies Affected: County Colleges.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Local Savings		Indeterminate	

- The Office of Legislative Services cannot estimate the savings to be realized from the enactment of this bill because information on the number of employees and retirees and the current and future plans in which those employees and retirees participate are not known. While an estimate from a particular county college may be available, due to the variation in the number of plans offered by the State Health Benefits Program (SHBP) and the School Employees Health Benefits Program (SEHBP), the plan design changes that have been implemented for the SHBP but not the SEHBP, and the variation in the types of coverage (single, family, parent/child, couple) offered to employees and retirees, applying one county college's health benefit data to other county colleges may not represent the aggregate costs and savings accurately.

BILL DESCRIPTION

This bill will transfer New Jersey county college employees and retirees from membership in the SEHBP to membership in the SHBP.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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As an example, one county college in Northern New Jersey calculated that transferring employees from the SEHBP to the SHBP would save that county college approximately \$786,000 and it would save the employees approximately \$209,000. The estimate is based on approximately 300 employees and uses January 2018 plan rates.

There are 19 county colleges in the State.

Section: State Government
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This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).