

Recommendations to the State Administration and Veterans' Affairs Interim Committee
Regarding the State Employee Group Benefits Advisory Council

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Prepared by Marilyn Bartlett, Administrator, Health Care and Benefits Division,
Department of Administration

The State Employee Group Benefits Advisory Council (SEGBAC) is organized under the Department of Administration, in accordance with the provisions of 2-15-122 and 2-15-1016, MCA. Members serve at the pleasure of the Governor in an advisory capacity in accordance with 2-15-122, MCA.

SEGBAC's purpose is to:

- 1) Review the existing state employee group benefits plan;
- 2) Review claims problems;
- 3) Consult with the Department of Administration before group benefits plans are negotiated, contracted, or modified;
- 4) Review evidence developed by the Department of Administration demonstrating that alternatives to conventional insurance will be more efficient, less costly, or otherwise superior to contracting for conventional insurance; and
- 5) Advise the Department of Administration on state employee group benefit matters.

The Council membership consists of 13 members, appointed by the Director:

- Three members representing state employees and labor organizations
- Six members representing executive branch agencies
- One ex officio member representing the Department of Administration
- One member representing retired state employees
- One member representing legislative branch agencies
- One member representing the Legislature

The Council meets quarterly to review the Health Care and Benefits Division's administrative activities regarding the State Employee Benefit Programs, including review of the financial performance of the Health Plan, discussion of Plan benefits options, rate setting, and discussion of vendor performance and related contract items.

The Council provides guidance and insights from various perspectives to ensure the State Employee Benefit Programs are financially sound and providing appropriate benefits in compliance with state and federal regulations. The Department believes the continued engagement of the State Employee Group Benefit Advisory Council is necessary and beneficial to the operations of the Health Care and Benefits Division. No changes are recommended 2-15-1016, MCA.

MCA - 2015

2-15-1016. State employee group benefits advisory council -- composition. (1) The department shall create a state employee group benefits advisory council under 2-15-122.

(2) The members of the advisory council must be selected from a diverse group in order to adequately represent the interests of state employees and retirees.

(3) One member of the advisory council must be a retired state employee.

(4) Each labor organization, as defined in 39-31-103, representing more than 1,000 employees of the state of Montana is entitled to one representative on the advisory council.

History: En. Sec. 3, Ch. 555, L. 1979; amd. Sec. 1, Ch. 188, L. 1987; amd. Sec. 1, Ch. 426, L. 1991.