

Insure Montana Goals	Agency/Program #: 3401-03-I1	
	Division: Insurance Division	
	Program: Insure Montana	
Agency Name:	State Auditor's Office	
Agency Contact:	Sark	444-2040
LFC Contact:	Representative Taylor, Representative Sesso	
LFD Liaison:	Kris Wilkinson	444-5834
OBPP Liaison:	Shawn Graham	444-0054

Program or Project Description:

Insure Montana is the Small Business Health Insurance Program passed during the 2005 Legislative Session. The program has two primary components: to provide refundable tax credits to small businesses that are currently providing group health insurance to their employees, and to provide premium assistance and incentive payments through our purchasing pool or a qualified association plan to previously uninsured businesses.

Fund Name:	Appropriation, Expenditure and Source				Approp & Expenditure numbers are as of April 15, 2008
	2008		2009		
	Approp.	Expended	Approp.	Expended	
General Fund	0	0	0	0	
State Special	4,371,318	85,853	4,375,203		
Federal Funds	0	0	0	0	
Total:	\$4,371,318	\$85,853	\$4,375,203	\$0	

Legislative Goal(s):

Provide tax credits to small businesses that currently offer their employees health insurance due to affordability.

Legislative Performance Measures:

Provide tax credits for at least 700 businesses, or 5,000 lives on a yearly basis as measured by those businesses completing the annually renewal in October

	2009 Biennium Significant Milestones:	Completion Dates	
		Target	Actual
1	Complete renewal including reverification of eligibility for the program.	10/31/2007	12/31/2007
2	Mail 2007 certificates to all eligible participants to allow them to claim the credit on their tax forms	1/31/2008	1/31/2008
3	Transfer funds to cover tax credits to the Department of Revenue		
4			
5			

Agency Performance Report:

Currently, Insure Montana provides refundable tax credits for 698 businesses with 4,004 members. The average refundable tax credit provided to businesses is \$5,358.78. There are currently 50 businesses on the waiting list. The Program is unable to serve the additional businesses at this time due to budget constraints. Montana code prevents additional businesses from being added to the Program when it is projected that 95% of budget will be expended. At this time, the tax credit program is projected to expend 94.19% by the end of FY 2008.

Milestone #1

A pilot of audits is scheduled to be completed in the month of June. There will be an audit of 50 purchasing pool cases and 50 tax credit cases. An adjustment to reflect newest federal poverty guidelines cannot be completed due to lack of funding.

All purchasing pool renewals were completed and quoted for the upcoming year by 12/31/2007.

Milestone #2

The majority of tax credit certificates were mailed prior to 01/31/08. There was no procedure in place to close businesses that did not submit an application; therefore, a system enhancement was completed. On 04/18/08 all businesses that did not submit a renewal application were notified that their tax credit could not be calculated for 2007 and was discontinued for 2008. A procedure has been developed to inform businesses with their estimated tax credit notice for 2008 explaining that the renewal application due in October would determine the 2008 tax credit calculation as well as ongoing eligibility for 2009. The renewal application cover notice that will be mailed in September will also include this information.

Milestone #3

DPHHS initiated an inter unit journal on 04/17/2008 for the 2006 tax credits and started another inter unit journal on 04/29/2008 for the 2007 tax credits.

LFD Narrative:

LFD ASSESSMENT: On-Track

DATA RELEVANCE: The information reported in the Agency Performance section relates to the legislative goals and performance measures.

APPROPRIATION STATUS: Appropriation and expenditure data were provided. The workgroup may wish to discuss why the 2006 payment to Department of Revenue was not made until May 2008. It would appear this should have occurred in the previous fiscal year.

COMMENTS/ISSUES: From the information provided by SAO it appears this goal is on-track, the program has the target number of participants in terms of number of businesses enrolled in the program. The workgroup may wish to consider dismissing this goal from further review.

OPTIONS:

- 1) Dismiss from further review
- 2) Review again in October 2008
- 3) Request additional information
- 4) Upgrade or downgrade the rating



Version	Date	Author

Change Description