

Additional State Employee Contribution
for Health Insurance
Proposed Amendment

- Require state employees to pay a 5.0 percent surcharge on the employee share of health insurance.
- The increase will be effective on January 1, 2012, the beginning of the new plan year for state employee health insurance.
- The State in 2012 will contribute an estimated \$369.3 million or 73 percent toward employee and dependent health insurance, while employees will contribute \$143.8 million or 26 percent.
- The employee surcharge will generate \$3.1 million for the last six months of FY 2012. The entire amount of the employee surcharge will accrue to the State General Fund.
- For 2011 the employer contribution increased 15.0 percent, while the employee contribution increased 8.0 percent.
- Require the Director of the Budget to consult with the Director of the Legislative Research Department on the amount of the State General Fund savings as a result of the state employee health insurance surcharge and then certify such amount to the Director of Accounts and Reports.