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Governor Jeff Colyer, M.D.

## House General Government Budget Committee

Tuesday, February 13, 2018

Testimony Re: HB 2634

Good afternoon. My name is John Milburn and I am Director of Legislative and Public Affairs for the Department of Administration. I am here to offer testimony in support of HB 2634 regarding voluntary benefits through the State Employee Health Plan (SEHP). The measure would codify what has been a practice of the State Employee Health Plan for the past two years under a provision included in the budget for FY 2017 and 2019.

The provision allows state employees to voluntarily purchase additional insurance products through after-tax dollars in their paycheck. The voluntary benefit is authorized by the Health Care Commission, which oversees the SEHP.

Members of the SEHP have enrolled in almost 15,000 policies, an increase from the initial enrollment with paper invoicing which was 663 policies. The payroll deductions allow for better policy pricing for the members. It is more convenient for our members to have the payroll deduction than the paper invoices. In addition, this practice reduces the number of policy cancellations due to non-payment of premiums.

We are respectfully seeking extension of this practice through legislation to give permanency to the program. Currently the budget provision allowing for the payroll deductions will expire on June 30.

Thank you for your attention to this matter and I would stand for any questions you may have.

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