152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 185**
SPONSOR:	**Representative Heffernan**
DESCRIPTION:	**AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO HEALTH CARE INSURANCE AND ELIMINATION OF THE STATE SHARE WAITING PERIOD.**

Assumptions:

1. This Act is effective upon signature by the Governor. The provisions of this Act are effective for those benefit-eligible State employees hired on or after January 1, 2024.

2. Currently, state employees become eligible for State share contributions to health insurance on the first of the month following three full months of employment. This Act will eliminate the waiting period and allow State employees to be eligible for State share contributions upon hire.

3. New hire and rehire data for the calendar year 2022 was extracted from the State's PHRST payroll system. In total, there were 1,225 employees hired or rehired during that period that enrolled in health insurance but experienced up to a three-month waiting period for the State share of health insurance.

4. Group health insurance premiums are assumed to increase by 9.4% per year.

5. Fiscal Year 2024 costs reflect half year implementation costs due to the January 1, 2024 effective date.

Cost:

	General Fund	Special Fund	Total
Fiscal Year 2024	$1,982,396	$ 559,137	$2,541,533
Fiscal Year 2025	$4,337,483	$1,223,392	$5,560,875
Fiscal Year 2026	$4,745,206	$1,338,391	$6,083,597

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Office of the Controller General