

HB 229 Surviving Spouse Insurance Benefit Amendments (Perry, L) Anticipated Fiscal Impact:

Cost increase/Lost savings of \$23,000 to the State of Utah medical premium and HSA contribution.

Assumptions:

1. This bill allows the spouse of a state official who dies in the line of duty to continue to receive state-paid health benefits even if they remarry. It also includes a retrospective effective date.
2. One beneficiary of this law has recently remarried. If this law passes as drafted, the cost to the state for covering this beneficiary for the remainder of FY18 and all of FY19 would be approximately \$23,000.
3. There are at least three other beneficiaries who may benefit from this law if they decide to remarry. In reviewing publicly available data on the prevalence of remarriage against a pool of three beneficiaries, the likelihood of additional costs beyond \$23,000 in FY 19 is remote.
4. The cost to the state of HB 229 comes in the form of lost savings rather than as a new appropriation because the surviving spouse benefit currently being paid would continue, whereas under the existing law, remarriage of a surviving spouse terminates the benefit.