

Insure Montana Purchasing Pool		Agency/Program #: 3401-03-I3
		Division: Insurance Division
		Program: Insure Montana
Agency Name:	State Auditor's Office	
Agency Contact:	Jan Van Riper	444-2755
LFC Contact:	Representative Taylor, Representative Sesso	
LFD Liaison:	Kris Wilkinson	444-5834
OBPP Liaison:	Joe Garza	444-1334

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 October 31, 2007
	2008		2009		
	Approp.	Expended	Approp.	Expended	
General Fund					
State Special	6,557,006	2,037,141	6,562,840		
Federal Funds					
Total:	\$6,557,006	\$2,037,141	\$6,562,840	\$0	

Goal(s):

Maintain a purchasing pool through which small businesses can more competitively bid for health care coverage

Performance Measures :

Issue a RFP in FY 2008 to allow 1-3 carriers to participate in administering purchasing pool program with contract in place by November 1, 2008.

	2009 Biennium Significant Milestones:	Completion Dates	
		Target	Actual
1	Evaluate participant needs and wants for health coverage using CHAT (Chossing Health Plans All Together), including applicants who declined coverage in the process.	3/15/2008	
2	Initiate an RFP process with the goal of having 2-3 carriers available in the pool of a compelling reason not to, with the contract in place 11/01/08 for a 1/1/09 effeetive date.	4/15/2008	
3			
4			
5			

Performance Report:

The Insure Montana Board of Directors(Board) is initiating a RFP process in accordance with the intent of the Legislature that the Insure Montana Purchasing Pool should have competition. To determine the type of health plan participants want, the Board has decided to use the CHAT (Choosing Health Plans All Together) process, and then begin the RFP with the goal of having a contract in place by November 1, 2008, for January 1, 2009 coverage. If no compliant and/or competitive proposals are received during the RFP, the Board may not be able to introduce an additional carrier to the pool.

LFD Narrative:**EXECUTIVE CHANGES**

1. Changes to goals/initiatives –No
2. Changes to performance measures- No

LFD ASSESSMENT

1. Goal is measurable within the biennium: Yes
2. Progress toward goals: – Warning the measurement requires the SAO to issue an RFP in FY 2008. As discussed above, SAO is anticipating using a CHAT process to determine whether Insure Montana employers would prefer a different benefit package and then issuing an RFP. It is unclear from the above information if the CHAT process will be completed by June 30, 2008. It should be noted that the SAO is anticipating having the process of issuing the contract by November 2008, about 4 months after the initial target.

APPROPRIATION ISSUES

1. Appropriation/expenditure provided - Yes
2. Other appropriation issues – No

OPTIONS REGARDING THE GOAL/INITIATIVE AND PERFORMANCE MEASURES

The workgroup may wish to request another report on the success of the new process in November 2008 during the workgroup session



Version	Date	Author

Change Description