

**MINUTES OF THE
HOUSE RETIREMENT AND INDEPENDENT ENTITIES
APPROPRIATIONS SUBCOMMITTEE Room W030, House
Building, State Capitol Complex February 12, 2009**

Members Present: Sen. Dan Liljenquist, Co-Chair
Rep. Mel Brown, Co-Chair
Sen. D. Chris Butters Sen.
Jon J. Greiner Rep. Brad M.
Daw Rep. Neil A. Hansen
Rep. Wayne A, Harper Rep.
Brad G. Last Rep. Merlynn T.
Newbold Rep. Stephen E.
Sandstrom Rep. Christine F.
Watkins

Members Absent: Sen. Curtis S. Bramble
Sen. Gene Davis Sen. Brent
H. Goodfellow Rep. Susan
Duckworth

Staff Present: Mr. Benjamin N. Christensen, Policy Analyst
Mr. Danny Schoenfeld, Fiscal Analyst
Mr. Eric Weeks, Associate General Counsel Ms.
Cherri White, Committee Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Co-Chair Liljenquist called the meeting to order at 7:10 am.

MOTION: Senator Greiner moved to approve the minutes of January 30 and February 5, 2009, with the correction that Senator Greiner be marked as present at the meeting of January 30, 2009. The motion passed unanimously with Senators Butters, Davis and Goodfellow, and Representatives Duckworth, Hansen, and Last, absent for the vote.

Ben Christensen, Policy Analyst presented historical information related to the creation of Utah Public Employees Health Program.

Jeff Jensen, Director, Utah Public Employees Health Program, presented to the committee information regarding the current state of the insurance plans operated by PEHP. Mr. Jensen gave an overview of the fiscal position of PEHP, and indicated that there are several challenges

that are being faced by the organization. Among the challenges are issues related to controlling medical costs. these costs are spread through the system from issues related to utilization, technology, prescription drugs usage, provider reimbursement, mandates, and litigation. Some options that are being evaluated include High Deductible Health Plans (HDHP), and Health Savings Account (HSA). Other options that can impact the usage and costs of insurance are the use of incentives, including the use of rebates tied to wellness, a pilot project with Utah Retirement System and Public Employees Health Plans, and disease management compliance.

At the conclusion of the presentation and questions from the committee, Co-Chair Liljenquist called for a motion to adjourn.

MOTION:Co-Chair Brown moved to adjourn the meeting. Co-Chair Liljenquist adjourned the meeting at 7:52 am.

_ Senator Dan Lijenquist, Co-Chair

_ Rep. Mel Brown, Co-Chair